

IBERVILLE PARISH SCHOOL BOARD
PLAQUEMINE, LOUISIANA

BASIC FINANCIAL STATEMENTS

JUNE 30, 2006

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 9-12-07

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INDEPENDENT AUDITOR'S REPORT

To the Iberville Parish School Board
Plaquemine, Louisiana

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Iberville Parish School Board (the School Board), as of and for the year ended June 30, 2006, which collectively comprise the School Board's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School Board's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School Board, as of June 30, 2006, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated August 10, 2007 on our consideration of the St. James Parish School Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 3 through 10 and 47 through 48 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School Board's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the basic financial statements of the School Board. The combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Postlethwaite & Nettwill

August 10, 2007



IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2006

As management of the Iberville Parish School Board (hereinafter, School Board), we offer readers of the School Board's financial statements this narrative overview and analysis of the financial activities of the School Board for the fiscal year ended June 30, 2006.

Financial Highlights

- The assets of the School Board exceeded its liabilities at the close of the most recent fiscal year by \$42,114,167 (*net assets*). Of this amount, \$19,545,950(*unrestricted net assets*) may be used to meet the School Board's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, the School Board's governmental funds reported combined ending fund balances of \$20,490,698, an increase of \$4,890,267 in comparison with the prior year. Of the total, approximately \$17,274,787 is *available for spending* at the School Board's discretion (*unreserved fund balance*)
- At the end of the current fiscal year, unreserved fund balance for the General Fund was \$13,251,420, or 47.9% of the total General Fund expenditures.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the School Board's basic financial statements. These basic financial statements are composed of three components: 1) government-wide financial statements; 2) fund financial statements; and, 3) notes to the financial statements.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the School Board's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the School Board's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the School Board is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g., uncollected taxes and earned by unused sick leave).

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2006

Both of the government-wide financial statements present functions of the School Board that are principally supported by taxes and intergovernmental revenues (*governmental activities*). The School Board has no functions or activities which are business-like in nature, meaning that they are primarily supported by user fees and charges for services, such as a municipally owned utility system. The governmental activities of the School Board include regular and special educational programs, support services, administration, maintenance, student transportation and school food services. The School Board contains no other units of government (component units) nor is it contained as a component unit of any other level of local or state government.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over the resources that have been segregated for specific activities or objectives. The School Board, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the School Board can be divided into two categories: governmental funds and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the School Board's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The School Board maintains dozens of individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and the Debt Service Fund, all of which are considered to be *major funds*. The remaining funds are combined into a single, aggregated presentation under the label of *other governmental funds*, which contains all the non-major funds. Individual fund data for each of these non-major funds is provided in the form of *combining statements* elsewhere in the financial statements.

The School Board adopts annual appropriated budgets for all funds except expenditure-driven grant funds. Budgets for those types of grant funds are submitted by the grant supervisor to the Louisiana Department of Education, which approves the grant budgets and, through which flows requests for reimbursement. In virtually all cases, revenues received will equal expenditures and transfers of indirect costs, meaning that these funds do not have fund balances to carry forward to future periods. The School Board does adopt formal budgets for the General Fund, Debt Service Fund, and those Special Revenue Funds which are funded by local taxes. A budgetary comparison statement has been provided for the General Fund's formally adopted budget.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2006

Internal Service Fund. Operation of the School Board's self-insured health plan.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of outside parties such as students. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the School Board's programs. The sole fiduciary fund of the School Board is the School Activity Fund, which contains monies belonging to the schools, their students, and clubs or other activities.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. Included therein are the combining statements referred to earlier in connection with non-major governmental funds. Also, under the label of *other supplementary information* can be found data on individual school activity funds, capital assets, and information required to be presented by state statute.

Government-wide Financial Analysis

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the School Board, assets exceeded liabilities by \$42,114,167 at the close of the most recent fiscal year.

By far the largest portion of the School Board's net assets (53.6%) reflects its investment in capital assets (e.g., land, buildings, furniture and equipment), less any related debt used to acquire those assets that is still outstanding. The School Board uses these capital assets in the delivery of services to its students and citizens; consequently, these assets are *not* available for future spending. Although the School Board's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The remaining balance of unrestricted net assets (\$19,545,950) may be used to meet the School Board's ongoing obligations to its citizens, creditors, parents, staff, and students.

At the end of the current fiscal year, the School Board is able to report positive balances in both categories of net assets, just as it has done for the prior year.

The School Board's net assets increased by \$7,585,908 during the current fiscal year. This increase is due to increases in revenue from those of the prior year.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2006

STATEMENT OF NET ASSETS

	<u>2006</u>	<u>2005</u>	<u>% Change</u>
<u>ASSETS</u>			
Cash and cash equivalents	\$ 20,828,523	\$ 16,807,366	23.92%
Certificates of deposit	200,000	200,000	-
Receivables	5,490,394	4,183,162	31.25%
Inventory	15,476	28,743	(46.16%)
Land, building , and equipment – net	<u>33,958,217</u>	<u>35,108,473</u>	<u>(3.28%)</u>
 TOTAL ASSETS	 <u>60,492,610</u>	 <u>56,327,744</u>	 <u>7.39%</u>
 <u>LIABILITIES AND NET ASSETS</u>			
<u>LIABILITIES</u>			
Salaries, payroll deductions, and withholdings payable	3,204,471	3,411,658	(6.07%)
Accounts payable	1,551,552	1,723,158	(9.96%)
Accrued interest payable	141,913	-	100.00%
Deferred revenues	91,043	205,534	(55.70%)
Compensated absences payable	1,999,464	2,044,134	(2.19%)
Long-term liabilities			
Due within one year	3,180,000	3,025,000	5.12%
Due in more than one year	<u>8,210,000</u>	<u>11,390,000</u>	<u>(27.92%)</u>
 TOTAL LIABILITIES	 <u>18,378,443</u>	 <u>21,799,484</u>	 <u>(16.69%)</u>
 <u>NET ASSETS</u>			
Invested in capital assets, net of related debt	22,568,217	20,693,473	9.06%
Unrestricted	<u>19,545,950</u>	<u>13,834,787</u>	<u>41.28%</u>
 TOTAL NET ASSETS	 <u>\$ 42,114,167</u>	 <u>\$ 34,528,260</u>	 <u>21.97%</u>

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2006

STATEMENT OF ACTIVITIES

	<u>2006</u>	<u>2005</u>	<u>% Change</u>
Revenues			
Program Revenues			
Charges for Services	\$ 220,603	\$ 196,075	12.51%
Operating Grants and Contributions	9,586,511	9,306,028	3.01%
Taxes			
Property Taxes	12,371,968	12,173,816	1.63%
Sales and Use Taxes	12,293,613	11,061,135	11.14%
Other Local Sources	8,372,938	7,464,195	12.17%
State Sources	13,810,228	11,091,748	24.51%
Total Revenues	<u>\$ 56,655,861</u>	<u>\$ 51,292,997</u>	<u>10.46%</u>
Expenses			
Instruction	21,864,382	21,657,104	0.96%
Support Services	23,688,755	21,887,282	8.23%
Non-Instructional Services	2,988,302	2,769,285	7.91%
Debt Service	528,514	777,047	(31.98%)
Total Expenses	<u>49,069,953</u>	<u>47,090,718</u>	<u>4.20%</u>
Excess (Deficiency) of Revenues over Expenses	<u>\$ 7,585,908</u>	<u>\$ 4,202,279</u>	<u>80.52%</u>

- Increase in State Sources is due to increased revenue from MFP funding in the current year.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2006

Financial Analysis of the School Board's Funds

As noted earlier, the School Board uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the School Board's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the School Board's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the School Board's governmental funds reported combined ending fund balances of \$20,490,698, a increase of \$4,890,267 in comparison with the prior fiscal year. Approximately 84.3%, or \$17,274,787 of this total constitutes *unreserved fund balance*, which is available for spending at the School Board's discretion. The remainder of fund balance is *reserved* to indicate that it is *not* available for new spending since it is legally obligated to pay debt service and other obligations.

The General Fund is the chief operating fund of the School Board. At the end of the current fiscal year, unreserved fund balance of the General Fund was \$13,251,420 (designated and undesignated), while unreserved and undesignated fund balance is \$8,792,130. The designations of fund balance represent the School Board's plans for keeping a portion of unreserved fund balance to be set aside for specific purposes, as follows: 1) Deferred Maintenance on facilities (\$2,496,398); 2) Employee Salary Protection, in case of a sudden fall in revenues (\$1,578,652); 3) Property Insurance Deductible, to cover the \$250 thousand deductible on the property insurance policy (\$276,045); and 4) Unemployment Insurance to cover what may have to be reimbursed to the Louisiana Department of Labor for unemployment benefits (\$108,195).

The debt service fund balance increased by \$34,070 since the millage levy was reduced to 11 mills several years ago to reflect a reduced need for revenue due to the build-up of fund balance over the past 14 years. This fund balance will reduce each year over the next six years until the bonds are paid in full in October 2008. At that time, the balance should be zero.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2006

General Fund Budgetary Highlights

The original budget was not changed or amended during the year, therefore it is the final budget. Actual revenues exceeded anticipated revenues by approximately \$1 million, and actual expenditures were approximately \$200,000 less than anticipated.

Capital Asset and Debt Administration

Capital assets. The School Board's investment in capital assets as of June 30, 2006 amounts to \$33,958,217 (net of accumulated depreciation). This investment includes land, buildings and improvements, furniture, machinery and equipment.

Governmental activities		
	2006	2005
Land	\$799,106	\$799,106
Buildings and improvements	52,710,684	52,710,684
Furniture and equipment	7,603,019	8,146,651
Less: Accumulated depreciation	(27,154,592)	(26,547,968)
Total, net of depreciation	\$33,958,217	\$35,108,473

Additional information on capital assets and depreciation may be found in the "Notes to the Financial Statements".

Long-term debt. At the end of the current fiscal year, the School Board had bonded debt outstanding of \$11,390,000 as compared to \$14,415,000 in the prior year ended June 30, 2005. This amount is from two outstanding bond issues; Series 2002 General Obligation Bond, and Series 2002 Certificate of Indebtedness.

Economic Factors and Next Year's Budget

It is evident that construction activity at the local petro-chemical plants will continue to increase over the next few years due to a new plant being built in the parish. Therefore, we are forecasting the 2006-2007 sales tax budget to remain at \$550,000 per month.

Minimum Foundation Program (MFP) funding increased by \$981,484 from 2005-2006 to 2006-2007. This increase was due to an increase in the per pupil allotment due to inflationary factors.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2006

Property taxes were re-assessed in 2004. The Board approved a roll forward of the millages which will result in a slight increase in property tax revenues for 2005 and 2006.

On the expenditure side in 2006-2007, there are no significant expenditures scheduled at this time.

Significant conservative spending measures are expected to take place in the fiscal year 2007.

Requests for Information

This financial report is designed to provide a general overview of the School Board's finances for those with an interest in the government's financial position and operations. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to P. Edward Cancienne, Jr., Ph. D., Iberville Parish School Board, Post Office Box 151, Plaquemine, LA 70765-0151.

IBERVILLE PARISH SCHOOL BOARD

Plaquemine, Louisiana

STATEMENT OF NET ASSETS

JUNE 30, 2006

ASSETS

	<u>2006</u>
Cash and cash equivalents	\$ 20,828,523
Certificates of deposit	200,000
Receivables	5,490,394
Inventory	15,476
Land, building, and equipment - net	<u>33,958,217</u>
 TOTAL ASSETS	 <u>60,492,610</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Salaries, payroll deductions, and withholdings payable	3,204,471
Accounts payable	1,551,552
Accrued interest payable	141,913
Deferred revenues	91,043
Compensated absences payable	1,999,464
Long-term liabilities	
Due within one year	3,180,000
Due in more than one year	<u>8,210,000</u>
 TOTAL LIABILITIES	 <u>18,378,443</u>

NET ASSETS

Invested in capital assets, net of related debt	22,568,217
Unrestricted	<u>19,545,950</u>
 TOTAL NET ASSETS	 <u>\$ 42,114,167</u>

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****STATEMENT OF ACTIVITIES**
FOR THE YEAR ENDED JUNE 30, 2006

		Program Revenues		Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Unit 2006
Functions/Programs				
Instruction:				
Regular education programs	\$ 12,478,311	\$ -	\$ 1,343,177	\$ (11,135,134)
Special education programs	5,110,829	-	940,290	(4,170,539)
Other education programs	4,275,242	-	2,441,715	(1,833,527)
Support Services:				
Pupil support services	2,288,028	-	1,088,396	(1,199,632)
Instructional staff services	2,609,022	-	1,033,618	(1,575,404)
General administration services	7,383,811	-	55,358	(7,328,453)
School administration services	2,603,122	-	369,233	(2,233,889)
Business services	549,813	-	19,176	(530,637)
Plant operation and maintenance	5,430,375	-	205,940	(5,224,435)
Student transportation services	2,723,552	-	205,622	(2,517,930)
Central services	101,032	-	3,279	(97,753)
Non-Instructional Services:				
Food service	2,974,602	220,603	1,877,017	(876,982)
Community service programs	13,700	-	3,690	(10,010)
Debt Service:				
Interest and bank charges	528,514	-	-	(528,514)
Capital outlay	-	-	-	-
Total Governmental Activities	49,069,953	220,603	9,586,511	(39,262,839)
Local sources				
Taxes:				
Ad valorem				12,371,968
Sales and use taxes				12,293,613
Other				8,372,938
State sources				
Unrestricted grants-in-aid				12,349,275
Restricted grants-in-aid				1,460,953
Total general revenues and special items				46,848,747
Excess of revenues over expenses				7,585,908
Net Assets - July 1, 2005				34,528,259
Net Assets - June 30, 2006				\$ 42,114,167

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****GOVERNMENTAL FUNDS****BALANCE SHEET****JUNE 30, 2006**

	General	Title I	Academic Enhancement	Bond Sinking
<u>ASSETS</u>				
Cash and cash equivalents	\$ 10,391,074	\$ 1,111	\$ 3,245,348	\$ 3,208,399
Certificates of Deposit	200,000	-	-	-
Receivables	1,132,576	562,320	116,152	7,512
Due from other funds	6,444,313	913,502	-	-
Inventory	-	-	-	-
TOTAL ASSETS	\$ 18,167,963	\$ 1,476,933	\$ 3,361,500	\$ 3,215,911
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Salaries, payroll deductions, and withholdings payable	\$ 2,433,438	\$ 107,783	\$ 1,654	\$ -
Accounts payable	489,527	187,842	4,167	-
Due to other funds	1,993,578	1,181,308	1,158,909	-
TOTAL LIABILITIES	4,916,543	1,476,933	1,164,730	-
Fund balances:				
Reserved for debt service	-	-	-	3,215,911
Unreserved:				
Designated for deferred maintenance	2,496,398	-	-	-
Designated for employee salary protection	1,578,652	-	-	-
Designated for property insurance deductible	276,045	-	-	-
Designated for unemployment insurance	108,195	-	-	-
Unreserved, undesignated	8,792,130	-	2,196,770	-
TOTAL FUND BALANCES	13,251,420	-	2,196,770	3,215,911
TOTAL LIABILITIES AND FUND BALANCES	\$ 18,167,963	\$ 1,476,933	\$ 3,361,500	\$ 3,215,911

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD

Plaquemine, Louisiana

GOVERNMENTAL FUNDS

BALANCE SHEET

JUNE 30, 2006

	Other Governmental Funds	Total Governmental Funds
<u>ASSETS</u>		
Cash and cash equivalents	\$ 2,392,802	\$ 19,238,734
Certificates of Deposit	-	200,000
Receivables	3,671,834	5,490,394
Due from other funds	995,669	8,353,484
Inventory	15,476	15,476
 TOTAL ASSETS	 \$ 7,075,781	 \$ 33,298,088
 <u>LIABILITIES AND FUND BALANCES</u>		
Liabilities:		
Salaries, payroll deductions, and withholdings payable	\$ 661,596	\$ 3,204,471
Accounts payable	567,899	1,249,435
Due to other funds	4,019,689	8,353,484
 TOTAL LIABILITIES	 5,249,184	 12,807,390
 Fund balances:		
Reserved for debt service	-	3,215,911
Unreserved:		
Designated for deferred maintenance	-	2,496,398
Designated for employee salary protection	-	1,578,652
Designated for property insurance deductible	-	276,045
Designated for unemployment insurance	-	108,195
Unreserved, undesignated	1,826,597	12,815,497
 TOTAL FUND BALANCES	 1,826,597	 20,490,698
 TOTAL LIABILITIES AND FUND BALANCES	 \$ 7,075,781	 \$ 33,298,088

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2006

Total fund balances - governmental funds		\$ 20,490,698
Cost of capital assets at June 30, 2006	61,112,809	
Less: accumulated depreciation as of June 30, 2006	<u>(27,154,592)</u>	33,958,217
Consolidation of internal service funds		1,196,629
Elimination of interfund assets and liabilities		
Due from other funds	8,496,720	
Due to other funds	<u>(8,496,720)</u>	-
Long-term liabilities at June 30, 2006		
Certificates of indebtedness	(11,390,000)	
Accrued interest payable	(141,913)	
Compensated absences payable	<u>(1,999,464)</u>	<u>(13,531,377)</u>
Total net assets at June 30, 2006 - governmental activities		<u>\$ 42,114,167</u>

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****ALL GOVERNMENTAL FUND TYPES****FOR THE YEAR ENDED JUNE 30, 2006**

	Governmental Fund Types			
	General	Title I	Academic Enhancement	Bond Sinking
<u>Revenues:</u>				
Local sources:				
Taxes:				
Ad valorem	\$ 8,326,095	\$ -	\$ -	\$ 3,423,431
Sales and use	6,171,238	-	1,369,776	-
Rentals, leases, and royalties	8,425	-	-	-
Food sales	-	-	-	-
Earnings on investments	268,316	-	108,835	121,747
Other	787,371	619	-	-
State sources:				
Unrestricted grants-in-aid	12,289,050	-	-	-
Restricted grants-in-aid	589,583	-	-	-
Federal sources:				
Restricted grants-in-aid - direct	353,996	1,637,344	-	-
Commodities - United States	-	-	-	-
Department of Agriculture	-	-	-	-
Total revenues	<u>28,794,074</u>	<u>1,637,963</u>	<u>1,478,611</u>	<u>3,545,178</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular education programs	10,675,999	-	301,297	-
Special education programs	4,137,546	-	3,616	-
Other education programs	681,110	1,257,316	1,800	-
Support services:				
Pupil support services	1,234,326	-	33,063	-
Instructional staff services	1,207,192	255,307	85,790	-
General administration services	1,058,509	-	-	117,367
School administration services	2,179,782	-	-	-
Business and central services	490,982	28,112	-	-
Plant operation and maintenance	4,140,157	-	-	-
Transportation	2,460,964	-	-	-
Central services	95,631	-	-	-

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****ALL GOVERNMENTAL FUND TYPES****FOR THE YEAR ENDED JUNE 30, 2006**

	Governmental Fund Types			
	General	Title I	Academic Enhancement	Bond Sinking
Expenditures (continued):				
Non-instructional services:				
Food service	\$ 276,745	\$ -	\$ -	\$ -
Community service programs	7,594	2,424	-	-
Debt service:				
Principal retirement	-	-	-	3,025,000
Interest and bank charges	-	-	-	617,005
Capital outlay	-	-	-	-
Total expenditures	28,646,537	1,543,159	425,566	3,759,372
Excess (deficiency) of revenues over expenditures	147,537	94,804	1,053,045	(214,194)
Other financing sources (uses):				
Operating transfers out	(2,357,896)	(94,804)	(600,000)	-
Operating transfers in	6,965,790	-	-	248,264
Total other financing sources (uses)	4,607,894	(94,804)	(600,000)	248,264
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	4,755,431	-	453,045	34,070
Fund balances at beginning of year	8,495,989	-	1,743,725	3,181,841
Fund balances at end of year	\$ 13,251,420	\$ -	\$ 2,196,770	\$ 3,215,911

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD

Plaquemine, Louisiana

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

ALL GOVERNMENTAL FUND TYPES

FOR THE YEAR ENDED JUNE 30, 2006

	<u>Gov't Fund Type</u> <u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u>
<u>Revenues:</u>		
Local sources:		
Taxes:		
Ad valorem	\$ 622,442	\$ 12,371,968
Sales and use	4,752,599	12,293,613
Rentals, leases, and royalties	-	8,425
Food sales	220,603	220,603
Earnings on investments	21,803	520,701
Other	241,813	1,029,803
State sources:		
Unrestricted grants-in-aid	60,225	12,349,275
Restricted grants-in-aid	871,370	1,460,953
Federal sources:		
Restricted grants-in-aid - direct	7,471,113	9,462,453
Commodities - United States		
Department of Agriculture	124,057	124,057
Total revenues	<u>14,386,025</u>	<u>49,841,851</u>
<u>Expenditures:</u>		
Current:		
Instruction:		
Regular education programs	1,340,535	12,317,831
Special education programs	938,441	5,079,603
Other education programs	2,436,913	4,377,139
Support services:		
Pupil support services	1,086,255	2,353,644
Instructional staff services	1,031,585	2,579,874
General administration services	55,249	1,231,125
School administration services	368,507	2,548,289
Business and central services	19,138	538,232
Plant operation and maintenance	205,535	4,345,692
Transportation	205,218	2,666,182
Central services	3,273	98,904

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES****ALL GOVERNMENTAL FUND TYPES****FOR THE YEAR ENDED JUNE 30, 2006**

	<u>Gov't Fund Type</u> <u>Other</u> <u>Governmental</u> <u>Funds</u>	<u>Total</u>
Expenditures (continued):		
Non-instructional services:		
Food service	\$ 2,882,619	\$ 3,159,364
Community service programs	3,682	13,700
Debt service:		
Principal retirement	-	3,025,000
Interest and bank charges	-	617,005
Capital outlay	-	-
Total expenditures	<u>10,576,950</u>	<u>44,951,584</u>
Excess (deficiency) of revenues over expenditures	<u>3,809,075</u>	<u>4,890,267</u>
Other financing sources (uses):		
Operating transfers out	(4,655,942)	(7,708,642)
Operating transfers in	494,588	7,708,642
Total other financing sources (uses)	<u>(4,161,354)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(352,279)	4,890,267
Fund balances at beginning of year	<u>2,178,876</u>	<u>15,600,431</u>
Fund balances at end of year	<u>\$ 1,826,597</u>	<u>\$ 20,490,698</u>

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana
RECONCILIATION OF THE GOVERNMENTAL FUNDS -
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE TO STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2006

Total net changes in fund balance - governmental funds		\$	4,890,267
Capital assets:			
Capital outlay capitalized	\$	701,062	
Loss on capital outlay disposals		(21,299)	
Depreciation expense for the year ended June 30, 2006		<u>(1,830,019)</u>	(1,150,256)
Consolidation of internal service funds			687,735
Long-term debt:			
Principal portion of debt service payments		3,025,000	
Excess of interest accrued over interest paid		88,492	
Excess of compensated absences used over amounts earned		<u>44,670</u>	<u>3,158,162</u>
Change in net assets - governmental activities		\$	<u><u>7,585,908</u></u>

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD

Plaquemine, Louisiana

PROPRIETARY FUND
STATEMENT OF NET ASSETS
JUNE 30, 2006

	<u>Internal Service</u>
<u>ASSETS</u>	
Cash and cash equivalents	\$ 1,589,789
Due from other funds	<u>143,236</u>
 TOTAL ASSETS	 <u>1,733,025</u>
 <u>LIABILITIES AND NET DEFICIT</u>	
Liabilities:	
Accounts payable	531,821
Due to other funds	<u>4,575</u>
 TOTAL LIABILITIES	 <u>536,396</u>
 Net asset:	
Unreserved, undesignated	<u>1,196,629</u>
 TOTAL NET ASSETS	 <u><u>\$ 1,196,629</u></u>

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD

Plaquemine, Louisiana

PROPRIETARY FUND

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2006

	Internal Service
<u>Operating revenues</u>	
Premiums received	\$ 6,796,749
Total operating revenues	<u>6,796,749</u>
<u>Operating expenses</u>	
Medical claims expense	4,446,998
Prescription drug expense	1,228,964
Claims administration fees	369,187
Stop loss premiums expense	80,697
Other fees and charges	428
Total operating expenses	<u>6,126,274</u>
Net operating Income	<u>670,475</u>
<u>Non-operating revenues</u>	
Transfers in	0
Interest income	<u>17,260</u>
Total non-operating revenues	<u>17,260</u>
Changes in net assets	<u>687,735</u>
Net deficit - beginning	<u>508,894</u>
Net assets - ending	<u>\$ 1,196,629</u>

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD

Plaquemine, Louisiana

PROPRIETARY FUND

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2006

	Internal Service
<u>Cash flows from operating activities</u>	
Premiums received	\$ 6,796,749
Claims and benefits paid	(6,074,733)
Administrative and other fees paid	(450,312)
Net cash provided by operating activities	271,704
<u>Cash flows from investing activities</u>	
Interest income	17,260
Net cash provided by investing activities	17,260
<u>Cash flows from financing activities</u>	
Cash used in transfers out	(44,345)
Net cash used in financing activities	(44,345)
Net increase in cash	244,619
Cash - beginning	1,345,170
Cash - ending	\$ 1,589,789
RECONCILIATION OF OPERATING INCOME TO CASH USED IN OPERATING ACTIVITIES	
Operating Income	\$ 670,475
Adjustments to reconcile operating loss to net cash used in operating activities:	
Decrease in accounts payable	(398,771)
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 271,704

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD

Plaquemine, Louisiana

STATEMENT OF FIDUCIARY NET ASSETS

JUNE 30, 2006

Assets

Cash and cash equivalents	\$ 329,821
Total assets	<u>\$ 329,821</u>

Liabilities

Deposits due others	\$ 329,821
Total liabilities	<u>\$ 329,821</u>

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2006

I. Summary of significant accounting policies

A. Reporting Entity

The Iberville Parish School Board (hereinafter, "School Board") is a political subdivision of the State of Louisiana. It was created by Louisiana Statutes Annotated Revised Statute (LSA-R.S.) 17:51 to provide public education for the children of Iberville Parish. The School Board is authorized by LSA-R.S. 17:81 to establish policies and regulations for its own government consistent with the laws of the State of Louisiana and the regulations of the Louisiana Board of Elementary and Secondary Education. The School Board is composed of 15 members elected concurrently from 15 single member districts for terms of four years. The terms of the current School Board members expire on December 31, 2006.

The School Board operated nine schools within the Parish with a total enrollment at October 3, 2005 of 4,586 students. In conjunction with the regular educational programs, some of the schools offer special education, vocational education, and/or adult education classes. There is an alternative education program for students who have either been expelled, or those who have fallen two or more years behind the grade level of their peers. In addition, the School Board provides transportation and food service for students.

GASB Statement No. 14, *The Reporting Entity*, and GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, establish criteria for determining the governmental reporting entity and component units, which should be included within the reporting entity. Under provisions of these Statements, the School Board is considered a *primary government* since it is a single purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, the term "fiscally independent" means that the School Board may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. The School Board has no *component units*, defined by GASB Statement Nos. 14 and 39 as other legally separate organizations for which the elected School Board members are financially accountable. There are no other primary governments with which the School Board has a significant relationship.

B. Basis of presentation

The financial statements of the School Board have been prepared in conformity with accounting principles generally accepted in the United States as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

This financial report has been prepared in conformity with GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, issued in June 1999.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2006

C. Government-wide and fund financial statements

Under GASB Statement No. 34, the government-wide financial statements (i.e., the statements of net assets and the statement of changes in net assets) report information on all the non-fiduciary activities of the School Board. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include: 1) charges to customers or users who purchase, use or directly benefit from goods or services provided by a given function, and 2) grants that are restricted to meeting the operational or capital requirements of a particular function. Taxes or other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for the governmental funds and the fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

D. Measurement focus, basis of accounting, and financial statement presentation.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability has been incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Sales and use taxes are recognized as revenues when collected by the Iberville Parish Sales and Use Tax Department, a division of the Iberville Parish Government. Grants and similar items (including the state minimum foundation program distribution) are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School Board considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2006

D. Measurement focus, basis of accounting, and financial statement presentation (cont'd)

Property taxes, sales and use taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenues are considered to be measurable and available when cash has been received by the School Board.

The School Board reports the following major funds:

The General Fund is the School Board's primary operating fund, it accounts for all financial resources of the School Board, except those required to be accounted for in another fund.

Title I is a Special Revenue Fund. Title I of the IASA is a program for economically and educationally deprived school children which is federally financed, state-administered, and locally operated by the school board. The Title I services are provided through various projects that are designed to meet the special needs of educationally deprived children. The activities supplement, rather than replace, state and locally mandated activities.

Academic Enhancement is a special revenue fund. The Sales Tax Academic Programs Fund accounts for 33.33% of the proceeds of the 2/3 of one percent sales and use tax approved by parish voters on July 13, 1991. The Fund is dedicated to provide academic program enhancements throughout the school system.

The Debt Service Fund accounts for the resources accumulated and payments made for principal, interest and related charges on general long-term obligation debt of the School Board.

Additionally, the School Board reports the activities of its self-insured health plan as an *internal service fund*. Since the sources of revenue for this fund are generated from member (employee and retiree) and School Board contributions are not from third parties, it is not considered a "*business-type activity*" and therefore not reported in a separate column in the government-wide financial statements. It is accounted for using the economic resources measurement focus and the accrual basis of accounting.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide funds and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance from the GASB. The School Board has elected *not* to follow subsequently issued private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2006

D. Measurement focus, basis of accounting, and financial statement presentation (cont'd)

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The sole proprietary fund of the School Board is the self-insured health plan internal service fund, as described above. Operating revenues consist of member and School Board health insurance portions of the total premium for coverage, and operating expenses relate to the payment of health, medical, and prescription drug claims, as well as payments to the third-party plan administrator. All other revenues and expenses not meeting this definition are reported as nonoperating items.

When both restricted and unrestricted resources are available for use, it is the School Board's policy to use restricted resources first, then unrestricted resources as they are needed.

E. Assets, liabilities, and net assets or equity

1. Deposits and investments

Cash and cash equivalents are considered to be cash on hand, interest-bearing demand deposits, and short-term investments (usually time certificates of deposit), including investments in the Louisiana Asset Management Pool (LAMP). All of these cited instruments are considered cash equivalents, as long as their original maturities are of three months or less from the date of acquisition.

State statutes authorize the School Board to invest in United States Treasury Securities (e.g., treasury bills), or certificates or time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. Public entities in Louisiana are also authorized to invest in the LAMP, a non-profit corporation organized under Louisiana law and operated by the State Treasurer as a local government investment pool. Since LAMP investments may be liquidated in whole or in part at any time at par, the cost of LAMP investments is also the fair market value of the investments.

2. Interfund Transactions

During the course of normal operations, the School Board has numerous transactions between funds, including expenditures and transfers of resources to provide services, construct assets and service debt. The accompanying financial statements generally reflect such transactions as operating transfers.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2006

3. Ad valorem taxes

Ad valorem (property) taxes were levied by the School Board on September 12, 2005, based on assessed valuation of property as of January 1, 2005. These taxes become due and payable on November 15 of each year, and become delinquent after December 31 of the year levied. However, before the taxes can be collected, the assessment list (i.e., tax roll) must be submitted to the Louisiana Tax Commission for approval. From the day the tax roll is filed with the Iberville Parish Clerk of Court's Office, it shall act as a lien on each specific piece of real estate thereon assessed, which shall be subject to a legal mortgage after the 31st day of December of the current year for the payment of the taxes due thereon. Over 98% of ad valorem taxes are generally collected in December, January, and February of the fiscal year. A list of property on which taxes have not been paid is published in the official journal by the Iberville Parish Tax Collector, which is a division of the Iberville Parish Sheriff's Office (in Louisiana, the Sheriff's Office is the legally authorized collection agency for property taxes in each parish). If taxes are not paid within the time stipulated in the public notice, the property is sold for taxes due at a tax sale, usually held prior to the end of the School Board's fiscal year. Consequently, any taxes left unpaid at June 30 of each year are usually immaterial.

The following are the School Board authorized and levied ad valorem taxes for 2005:

<u>Parish-wide taxes</u>	<u>Authorized Mills</u>	<u>Levied Mills</u>	<u>Expiration Date</u>
Constitutional	3.93	3.93	Not Applicable
Maintenance	7.00	7.00	12/31/2012
Special Maintenance	4.84	4.84	12/31/2007
Alternative School	2.00	2.00	12/31/2015
Salaries and Benefits	10.50	10.50	12/31/2008
Bond Sinking Fund	Variable	11.00	Not Applicable

Under the Louisiana Constitution, ad valorem taxes other than the Constitutional Tax must be renewed by popular vote every ten (10) years. The bonded indebtedness tax (bond sinking fund) remains in effect until all bond principal, interest and associated fees have been paid in full.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2006

4. Sales and use taxes

On February 19, 1966, parish voters approved the levy of a one percent (1%) sales and use tax. The net proceeds (after deduction for the cost of collection) are dedicated to and used for the payment of a portion of the salaries of teachers in the elementary and secondary schools in the parish and/or for the costs of operating the schools. Proceeds from this tax are included as revenue in the General Fund.

On July 13, 1991, parish voters approved the levy of an additional two-thirds of one percent (0.6667%) sales and use tax to be levied by the School Board. The net proceeds of this tax are dedicated as follows: 1) 66.67% to be used for employee salaries, benefits and school bus operations; 2) 33.33% to fund academic program enhancements. Proceeds of both of these dedications are accounted for in the Special Revenue Funds.

On October 20, 2002, parish voters approved the levy of an additional one-third of one percent (0.3333%) sales and use tax to be levied by the School Board. The net proceeds of this tax are dedicated to the payment of health benefits for employees and retirees. Any excess (after said benefit payments are made) may be used to provide employee salary supplements.

All of the above taxes are collected by the Iberville Parish Sales and Use Tax Department, which collects all sales and use taxes parish-wide for a cost to the School Board of fifty percent (50%) of the total costs of collections. Also, all sales and use taxes are levied in perpetuity and do not require renewal by popular vote.

5. Inventories and prepaid items

Inventories of the School Lunch Special Revenue Fund consist of food purchased by the School Board, and commodities granted by the United States Department of Agriculture (USDA) through the Louisiana Department of Agriculture and Forestry. Inventory items purchased are valued at cost using the "first-in, first-out" (FIFO) method. Costs are recorded as expenditures at the time the individual items are consumed (consumption method). Commodities are assigned values based on information provided by the USDA, also on a FIFO basis. The amount of commodity inventory is included in deferred revenue until consumed.

Prepaid items represents costs paid in advance which are applicable to future accounting periods. An evaluation of such items indicates that any amounts which might be included as prepaid items are generally immaterial and therefore not recorded on the neither government-wide nor fund financial statements.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2006

6. Restricted assets

Restricted assets are cash, cash equivalents or investments whose use is limited by legal requirements such as a bond indenture. Restricted assets, if any, are reported only in the government-wide financial statements.

7. Capital assets

Capital assets, which include land, buildings and improvements, and furniture and equipment, are reported in the government-wide financial statements. Capital assets are not included within the depreciable assets (those subject to depreciation) of the School Board unless they cost on an individual basis \$1,000 or more and have an estimated useful life of two or more years. Items costing less than that are "expensed" at the time of purchase rather than depreciated. Depreciable assets do not have an assigned salvage value since any such amount would be generally immaterial. However, for purposes of insurance and maintaining an accountability of items generally subject to theft or misuse, the School Board does keep a separate inventory of items having a "street value" (e.g., televisions, VCR's, DVD players, etc.)

Capital assets purchased or constructed are recorded at historical cost, or, estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Generally due to the climate in the area, roof and HVAC replacements are not capitalized. Routine carpet replacement and minor structural changes are not capitalized.

Capital assets are recorded in the GWFS, but are not reported in the FFS. Capital assets are depreciated using the straight-line method over useful lives of 40 to 50 years for buildings and six to 20 years for furniture and equipment.

The School Board does not possess any material amounts of infrastructure assets, such as sidewalks and parking lots. Amounts expended prior to June 30, 2001 for such items were considered to be part of the cost of the buildings or other immovable property such as stadiums. In the future, if such items are built or constructed, and are material in relation to the class of assets, they will be capitalized and depreciated.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2006

8. Compensated absences

All School Board employees earn from ten to thirteen days of sick leave each year, depending on the number of months employed. Upon retirement (or death prior to retirement), unused sick leave of up to forty-five (45) days is paid to employees (or their heirs) at the employees daily rate of pay at the time of retirement (or death). Under the Teachers Retirement System of Louisiana (TRSL), the total unused sick leave (including any amount which may be compensated as mentioned above), is used in retirement benefit calculations as earned service for leave earned prior to July 1, 1988. For sick leave earned after June 30, 1988 under the TRSL and for sick leave earned under the School Employees Retirement System (LSERS), all unpaid sick leave, which excludes the above stated compensated days, is used in retirement benefit computations as earned service. Sick leave may be accumulated without limitation and is earned on a June 30 fiscal year basis. Certified employees may carry their accumulated sick leave from one public school district to another public school district in Louisiana.

Amounts reported as compensated absences include only the salary component and not related benefits (e.g., the Medicare portion of social security), since any such benefit amounts would be immaterial.

Twelve-month employees earn from 10 to 25 days of annual (vacation) leave each year, depending on their length of service with the School Board. Annual leave is earned on a calendar year basis, cannot be accumulated, and is forfeited if not taken by December 31 of each year.

Sabbatical leave may be granted on for medical leave or for professional and cultural improvement. Any employee whose position requires a teaching certificate is entitled, subject to approval of the School Board, to one (1) semester of sabbatical leave after three years of continuous service with the School Board, or two (2) semesters of sabbatical leave after six (6) or more years of continuous service. Persons on sabbatical leave are paid sixty-five percent (65%) of their daily rate of pay for the number of days they are on sabbatical leave. Those requesting medical sabbatical leave must have 25 or fewer days of accumulated regular sick leave at the time they expect to begin said sabbatical leave.

According to GASB Statement No. 16, *Accounting for Compensated Absences*, sabbatical leave that involves professional and cultural improvement provides a continuing benefit to the School Board and should not be accrued. Since medical sabbatical leave requires that only 25 or fewer sick leave days are available at the time the leave is taken, it is more likened to an extended sick leave benefit, and should not be accrued as sabbatical leave. Consequently, sabbatical leave benefits are recorded as current expenditures in the period the leave is taken and are not reflected as a liability on the government-wide financial statements.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2006

9. Long-term obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the life of the related debt.

In the fund financial statements, governmental fund types recognize bond premium or discount, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as "other financing sources" while discounts on debt issuances are reported as "other financing uses". Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

10. Fund equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

11. Comparative data/reclassifications

Comparative data for prior years have been presented in both the government-wide and fund financial statements in order to facilitate the making of comparisons between years and to reconcile changes in financial position from year-to-year. Also, certain amounts presented in prior year data have been reclassified in order to be consistent with the current year's presentation.

12. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2006

II. Stewardship, compliance, and accountability

A. Budgetary information

Annual budgets are adopted on the modified accrual basis of accounting for all governmental funds. All annual appropriations lapse at year-end. At the School Board meeting in August or September of each year, the Superintendent presents the proposed budgets for the General Fund, all tax supported Special Revenue Funds, the School Lunch Fund, and the Debt Service Fund. For the current fiscal year, the proposed budgets were presented to the School Board on September 12, 2005. Between August 25, 2005 and September 12, 2005, the proposed budgets were advertised in the official journal as being available for public inspection in accordance with state law. Also in that interim, the School Board reviewed the proposed budgets and called for a public hearing (also in accordance with state law) to be held on September 12, 2005. On that date, after hearing public comments thereon, the proposed budgets were adopted by the School Board. State law requires that public school districts adopt a budget no later than September 30 of each year, and report a summary of it to the State Superintendent of Education by that date.

The proposed budget is prepared and presented by fund and function in accordance with the provisions of the Louisiana Uniform Accounting Guide and Handbook (Bulletin 1929) issued by the Louisiana Department of Education. The Superintendent (or his designee) is authorized by the School Board to make transfers between or among functions, provided that the total appropriation for that fund is not exceeded. The legal level of budgetary control is therefore set at the fund level. State law requires that management present to the School Board budget amendments whenever expenditures are expected to exceed budgeted expenditures by five percent (5%) or more. Such matters are generally brought to the School Board's attention at regular meetings each month, normally during the Finance Committee recommendations.

Encumbrance accounting is employed in the governmental funds. Encumbrances (e.g., purchase orders) outstanding at year-end are reported as reservations of fund balance (if material), and do not constitute expenditures or liabilities because such commitments are re-appropriated and honored in the ensuing fiscal year.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2006

III. Detailed notes on all funds

A. Deposits and investments

Custodial credit risk is the risk that in the event of a financial institution failure, the School System's deposits may not be returned to them. To mitigate this risk, state law requires deposits to be secured by federal deposit insurance of the pledge of securities owned by the fiscal agent financial institution. At year-end, the government's bank balance was \$23,337,234. Of this amount, \$227,354 was exposed to custodial credit risk by being uninsured and uncollateralized. It is the School Board's policy to either have deposits secured by federal deposit insurance or pledged by securities owned by the fiscal agent financial institution.

Securities that may be pledged as collateral consist of obligations of the U.S. Government and its agencies, obligations of the State of Louisiana and its municipalities and school districts.

The School Board also had invested in the Louisiana Asset Management Pool (LAMP) \$267,953. In accordance with GASB Codification Section I50.126, the investment in LAMP is not categorized according to the three categories in GASB Codification Section I50.125 because the investment in the LAMP is in the pool of funds and therefore not evidenced by securities that exist in physical or book entry form. The School Board considers the LAMP investment as a "cash equivalent" due to its short-term nature. The fair value of the School Board's position in the LAMP is the same as the value of its pool shares.

B. Receivables

The receivables of \$5,490,394 at June 30, 2006 consisted of the following:

<u>Class of Receivable</u>	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Ad valorem taxes	\$ 17,943	-	\$ 17,943
Sales and use taxes	523,212	523,167	1,046,379
Accounts	591,421	3,834,651	4,426,072
Total	<u>\$ 1,132,576</u>	<u>\$ 4,357,818</u>	<u>\$5,490,394</u>

IBERVILLE PARISH SCHOOL BOARD

Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2006

C. Capital assets

Capital assets and depreciation activity as of and for the year ended June 30, 2006 is as follows:

	Balance <u>6/30/05</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>6/30/06</u>
Land	\$ 799,106	\$ -	\$ -	\$ 799,106
Buildings & Improvements	52,710,684	-	-	52,710,684
Furniture and equipment	8,146,651	701,062	1,244,694	7,603,019
	61,656,441	701,062	1,244,694	61,112,809
Accumulated depreciation	(26,547,968)	(1,830,019)	(1,223,395)	(27,154,592)
Capital assets, net of depreciation	<u>\$ 35,108,473</u>	<u>\$ (1,128,957)</u>	<u>\$ 21,299</u>	<u>\$ 33,958,217</u>

Depreciation expense of \$1,830,019 for the year ended June 30, 2006 was charged to the following governmental functions:

Instruction:

Regular education programs	\$ 265,049
Special education programs	109,300
Other education programs	94,185

Support services:

Pupil support services	50,645
Instructional staff services	55,512
General administration services	26,412
School administration services	54,833
Business and central services	11,581
Plant operation and maintenance	1,103,004
Transportation	57,370
Central Services	<u>2,128</u>

Total \$ 1,830,019

Iberville Parish School Board
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2006

D. Due From/To Other Funds

Individual balances due from/to other funds are as follows:

<u>Fund</u>	<u>Due from other funds</u>	<u>Due to other funds</u>
General Fund	\$ 6,444,313	\$ 1,993,578
Special Revenue Funds:		
Academic Enhancement	-	1,158,909
Salary Benefit	-	716,484
Alternative School Fund	-	35,431
Title IV	-	1,946
Other State Funds	37,208	156,645
E2T2	84	32,358
Title II - MSP	1,742	34,108
JAG	4,309	-
Title I	913,502	1,181,308
Title V	-	2,486
School Renovation	-	1,602
Title II	52,294	149,613
Reading First	76,557	411,842
Starting Points	98,421	27,004
Class Size Reduction	-	-
Vocational Education	2	80,273
Pre-GED Skills Option	-	47,483
IDEA	349,758	528,241
Adult Education	-	21,187
Title III	-	694
Project Impact	77,803	184,558
REAP	-	1,370
CSRP	-	16,598
School Lunch	297,491	177,548
Displaced Student Aid	-	1,392,218
Sales Tax - Benefit	-	138,661
Internal Service	143,236	4,575
Total	<u>\$ 8,496,720</u>	<u>\$ 8,496,720</u>

Iberville Parish School Board
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS

June 30, 2006

E. Operating Transfers

<u>Fund</u>	<u>Operating Transfers out</u>	<u>Operating Transfers in</u>
General Fund	\$ 2,357,896	\$ 6,965,790
Special Revenue Funds:		
Academic Enhancement	600,000	-
Salary Benefit	2,753,889	-
Title IV	958	-
Other State Funds	2,436	12,124
E2T2	10,054	84
Title II - MSP	7,305	1,742
Vocational Education	-	2
Title I	94,804	-
Title V	870	-
Title II	23,958	-
Reading First	61,639	-
Starting Points	13,284	-
IDEA	44,299	179,627
Adult Education	179	-
Project Impact	102,610	-
REAP	460	-
CSRP	8,178	-
Displaced Student Aid	1,392,960	-
School Lunch	232,863	301,009
Bond Sinking Fund	-	248,264
 Total	 <u>\$ 7,708,642</u>	 <u>\$ 7,708,642</u>

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2006

F. Long-term debt

General obligation bonds

The School Board, known for bonded debt purposes as "Consolidated School District No. 5 of the Parish of Iberville, Louisiana", issued on October 1, 2003, seventeen million one hundred seventy thousand dollars (\$17,170,000) of general obligation bonds for the purpose of refunding \$17,395,000 of callable series 1992 refunding bonds. All principal and interest requirements are funded in accordance with Louisiana law by the levy of an ad valorem tax on all taxable property within the Parish. The current millage rate levied for debt service purposes was 11.00 mills for the 2005 tax year. A summary of general obligation bonded debt as of June 30, 2006 is as follows:

<u>Date of issue</u>	<u>Original issue</u>	<u>Interest Rates</u>	<u>Final Maturity</u>	<u>Interest to Maturity</u>	<u>Principal Outstanding</u>
General Obligation:					
October 1, 2003	\$17,170,000	5.00%	October 1, 2008	\$ 953,250	\$ 9,365,000
Certificate of Indebtedness:					
April 30, 2003	\$2,445,000	3 - 4.25%	September 1, 2013	\$ 311,637	\$ 2,025,000

The annual requirements to amortize all debt outstanding at June 30, 2006, including interest payments of \$1,264,887 for the bonds are as follows:

<u>Year Ending June 30</u>	<u>Series 2002, General Obligation Bond</u>	<u>Series 2002, Certificate of Indebtedness</u>	<u>Total</u>
2007	\$ 3,423,250	\$ 295,409	\$ 3,718,659
2008	3,440,500	292,037	3,732,537
2009	3,454,500	293,389	3,747,889
2010	-	294,373	294,373
2011	-	290,081	290,081
Thereafter	-	871,348	871,348
Total	<u>\$ 10,318,250</u>	<u>\$ 2,336,637</u>	<u>\$ 12,654,887</u>

The current portion of long-term bonded debt is \$3,180,000, and the long-term portion is \$8,210,000.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2006

F. Long-term debt (cont'd)

Compensated absences

Compensated absences consist of that portion of accumulated regular sick leave for which the School Board may have an obligation to pay for up to forty-five (45) days thereof. All amounts shown in the following table were computed using the employee's daily rate of pay as of June 30, 2006.

Summary of long-term obligations

	Bonds	Compensated Absences	Total
Balance at July 1, 2005	\$14,415,000	\$2,044,134	\$16,459,134
Additions	-	51,593	51,593
Deductions	(3,025,000)	(96,263)	(3,121,263)
Balance, June 30, 2006	\$11,390,000	\$1,999,464	\$13,389,464

The following is a summary of the current (due in one year or less) and the long-term (due in more than one year) portions of long-term general obligations, as shown on the statement of net assets:

	Bonded Debt	Compensated Absences	Total
Current portion	\$3,180,000	\$ -	\$3,180,000
Long-term portion	8,210,000	1,999,464	10,209,464
Total	\$11,390,000	\$1,999,464	\$13,389,464

G. General Fund – fund equity designations

Designation for Employee Salary Protection

The designation for employee salary protection is for the payment of employee salaries as well as health, life and dental insurance in the event general fund revenues are not sufficient to fund those expenditures. Additions are from interest earnings, and reductions include a transfer to fund a portion of employee health insurance until the new sales and use tax proceeds were received.

Designation for Property Insurance Deductible

The designation for property insurance deductible is to fund, in whole or in part, the \$250,000 deductible amount of the property and casualty insurance coverage. Additions are from interest earnings. There were no reductions for the year. No losses have been incurred due to casualty on property in at least 15 years.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2006

G. General Fund – fund equity designations (cont'd)

Designation for Unemployment Insurance

The designation for unemployment insurance is for reimbursement to the Louisiana Department of Labor, Office of Regulatory Services for benefits paid to former employees of the school board who qualify for such payments. Additions include interest earnings and interfund transfers, while reductions are for reimbursements to the Louisiana Department of Labor.

Designation for Deferred Maintenance

The designation for deferred maintenance is for setting aside funds for the payment of major repairs and maintenance on school buildings. Additions include interest earnings. Reductions include expenditures for architect fees, construction services, and transfers out.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2006

IV. Other information

A. Risk management

The School Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions, employee claims for workers compensation, and natural disasters for which the School Board carries commercial insurance. All premiums for property, casualty, liability and workers compensation are paid by the General Fund and charged to the appropriate functional categories therein.

The School Board also pays 100% of the cost of life insurance for active employees, who have the option of covering their spouses and/or dependents at their cost. Maximum coverage is \$50,000 for active employees, \$4,000 for spouses and \$2,000 for other dependents.

The School Board pays between 24% for family coverage to 78% for employee coverage of the cost of dental insurance for employees.

On January 1, 2003, the School Board created a self-insured program for employee health insurance since coverage from commercial providers had become prohibitively expensive. Premiums are paid jointly by the School Board and the affected individuals into a health insurance premiums fund. From that fund, transfers are made semi-monthly into the health insurance claims fund from which all claims, which are approved for payment by the third-party administrator, are paid.

One part of the School Board's portion of the health insurance premiums are paid from the various funds which pay the salaries of the particular employees. The remainder of the School Board's portion is paid by a one-third of one percent (0.3333%) sales and use tax, approved by voters on October 20, 2002. The School Board pays varying percentage depending on the plan chosen by the individuals and whether just the employee or employee and dependent are covered. This new sales and use tax is reported as a Special Revenue Fund.

Liabilities of the self-insured health insurance program are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR's). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in medical procedures, contracts between the third-party administrator and service providers, etc. Accordingly, claims are re-evaluated periodically to consider these and other social and economic factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether or not they are allocated to specific claims. The balance of claims liabilities at the end of the current fiscal year is \$531,821.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2006

B. Other post-employment benefits

Persons who retire from active service with the School Board are entitled to continue their health, life and dental insurance coverage. For health insurance, the School Board pays from 53% to 77% of the monthly premiums, depending on the plan chosen, whether or not dependents are covered, and whether the School Board's self-insured plan or Medicare is the retiree's primary insurance. Life insurance for retirees is paid 50% by the School Board and 50% by the retiree. The retiree has the option of covering their spouses and/or dependents at their cost. For retirees, the maximum life insurance coverage is \$50,000 until age 65, \$38,000 from age 65 to 69, and \$25,000 for retirees age 70 or older. Retirees pay 100% of the cost of continuing their dental insurance for themselves and their dependents. As of June 30, 2006, the School Board covered approximately 411 retirees. The School Board finances the various plans on a pay-as-you-go basis. For the year ended June 30, 2006, the total cost to the School Board for all retiree insurance was \$2,019,572.

C. Employee retirement systems

Substantially all employees of the School Board are members of one of two statewide retirement systems. The Teachers Retirement System of Louisiana (TRSL) covers all employees except custodial personnel, maintenance employees and school transportation personnel. The latter employees are covered by the Louisiana School Employees Retirements System (LSERS). All certified, professional and clerical employees are members of the Regular Plan of the TRSL while cafeteria workers are members of Plan A of the TRSL. Both systems are cost-sharing, multiple-employer defined benefit pension plans. Each system is administered and controlled by a board of trustees. All required employee and employer contributions were made for the year ended June 30, 2006.

TRSL

Plan Description. The TRSL consists of three membership plans: Regular Plan, Plan A, and Plan B. The School Board only participates in the Regular Plan and Plan A. No employees participate in Plan B. The TRSL provides retirement benefits as well as disability and survivor benefits. Ten (10) years of service credit is required to become vested for retirement benefits and five (5) years to become vested for disability and survivor benefits. Benefits are established and amended under Chapter 2 of Title 11 of the Louisiana Revised Statutes. The TRSL issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the TRSL at Post Office Box 94123, Baton Rouge, LA 70804-9123, or by calling (225) 925-6446.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2006

C. Employee retirement systems (cont'd)

Funding Policy. Plan members are required to contribute 8.0% or 9.1% of their covered salary, depending on whether they are members of the Regular Plan or Plan A, respectively. The School Board is required under Title 11 of the Louisiana Revised Statutes to contribute an actuarially determined rate. The rate for the fiscal year ended June 30, 2006 was 15.5%. Member contributions and employer contributions for the TRSL are determined by the Public Retirement Systems' Actuarial Committee. The School Board's employer contribution is also supplemented, as required by state law, from deductions from eligible ad valorem taxes levied in Iberville Parish. For the year ended June 30, 2006, that amount was \$305,395.

The School Board's contributions to the TRSL, with percentages of covered payroll contributed shown in parentheses, for the last three fiscal years ended June 30, 2006, 2005 and 2004 were \$2,516,808 (15.5%), \$2,383,160 (15.5%), and \$2,129,602 (13.8%) respectively. The percentages and amounts stated represent both the required and actual contributions made.

LSERS

Plan Description. The LSERS provides retirement benefits as well as disability and survivor benefits. Ten (10) years of service credit is required to become vested for retirement benefits and five (5) years to become vested for disability and survivor benefits. Benefits are established and amended under Chapter 3 of Title 11 of the Louisiana Revised Statutes. The LSERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the LSERS at Post Office Box 44156, Baton Rouge, LA 70804-4516, or by calling (225) 925-6484.

Funding Policy. Plan members are required to contribute 7.5% of their covered salary. The School Board's contribution to the LSERS for the year ended June 30, 2006 was \$400,658 (14.8%). Member contributions and employer contributions for the LSERS are established by state law and rates are determined by the Public Retirement Systems' Actuarial Committee.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2006

D. Deferred Compensation Plan

The Omnibus Budget Reconciliation Act (ORBA) of 1990 requires that, after June 30, 1991, all part-time, seasonal and temporary employees of a governmental agency not covered by a qualified retirement plan must be included under Social Security. In response to the ORBA requirements, the School Board in June 1991 created a deferred compensation plan under Section 457 of the Internal Revenue Code for this group of employees, which meets the requirements of the Internal Revenue Service regulations as a "qualified retirement plan". Generally all employees of the School Board who work twenty hours or less per week and who are not covered by one of the retirement systems mentioned in note C above (e.g., substitute workers) are required to participate in the deferred compensation plan. Employees who meet this requirement contribute 7.5% of their gross compensation into the plan, with no corresponding contribution by the School Board. Full-time employees of the School Board may also voluntarily participate in the Section 457 plan. Upon termination of employment, retirement, death, or the occurrence of an unforeseeable emergency, the qualifying employee (or his heirs) may withdraw his contributions plus interest at a reasonable rate. Contributions made by the employee and the investment thereof are managed by an independent third party administrator selected by the School Board.

E. Litigation and Claims

The School Board is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Board's attorneys, the resolution of these matters will not have a material adverse effect on the financial condition of the government. The School Board is in a dispute with one of its construction contractors regarding the terms of the contract. Although the ultimate outcome of the lawsuit cannot be determined at this time, the School Board may be obligated to pay approximately \$800,000 for work already completed.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

MAJOR FUND DESCRIPTIONS
June 30, 2006

GENERAL FUND

The General Fund is used to account for resources traditionally associated with the school board with are not legally required or required by sound accounting practices to be accounted for in another fund.

TITLE I

Title I of the IASA is a program for economically and educationally deprived school children which is federally financed, state-administered, and locally operated by the school board. The Title I services are provided through various projects that are designed to meet the special needs of educationally deprived children. The activities supplement, rather than replace, state and locally mandated activities.

SALES TAX – ACADEMIC ENHANCEMENT

The Sales Tax Academic Programs Fund accounts for 33.33% of the proceeds of the 2/3 of one per cent sales and use tax approved by parish voters on July 13, 1991. The Fund is dedicated to provide academic program enhancements throughout the school system.

BOND SINKING FUND

The Bond Sinking Fund is used to accumulate funds for the payment of refunding general obligation bonds and certificates of indebtedness which are due in various annual installments.

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****GENERAL FUND****BUDGETARY COMPARISON SCHEDULE****FOR THE YEAR ENDED JUNE 30, 2006**

	Original & Final	Actual	Variance with Final Budget Favorable (Unfavorable)
<u>Revenues:</u>			
Local sources:			
Taxes:			
Ad valorem	\$ 8,400,000	\$ 8,326,095	\$ (73,905)
Sales and use	6,600,000	6,171,238	(428,762)
Rentals, leases, and royalties	12,000	8,425	(3,575)
Earnings on investments	48,000	268,316	220,316
Other	165,000	787,371	622,371
State sources:			
Unrestricted grants-in-aid	11,602,757	12,289,050	686,293
Restricted grants-in-aid	722,243	589,583	(132,660)
Federal sources:			
Restricted grants-in-aid	200,000	353,996	153,996
Total revenues	<u>27,750,000</u>	<u>28,794,074</u>	<u>1,044,074</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular education programs	10,850,000	10,675,999	174,001
Special education programs	4,325,000	4,137,546	187,454
Other education programs	825,000	681,110	143,890
Support services:			
Pupil support services	1,175,000	1,234,326	(59,326)
Instructional staff services	1,075,000	1,207,192	(132,192)
General administration services	1,025,000	1,058,509	(33,509)
School administration services	2,075,000	2,179,782	(104,782)
Business and central services	525,000	490,982	34,018
Plant operation and maintenance	3,700,000	4,140,157	(440,157)
Transportation	2,475,000	2,460,964	14,036
Central services	100,000	95,631	4,369

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD

Plaquemine, Louisiana

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED JUNE 30, 2006

	<u>Original & Final</u>	<u>Actual</u>	<u>Variance with Final Budget Favorable (Unfavorable)</u>
Expenditures (continued):			
Non-instructional services:			
Food service	\$ 275,000	\$ 276,745	\$ (1,745)
Community service programs	7,635	7,594	41
Capital outlay	-	-	-
Total expenditures	<u>28,432,635</u>	<u>28,646,537</u>	<u>(213,902)</u>
Deficiency of revenues over expenditures	<u>(682,635)</u>	<u>147,537</u>	<u>830,172</u>
Other financing sources (uses):			
Operating transfers out	(2,243,505)	(2,357,896)	(114,391)
Operating transfers in	<u>3,800,000</u>	<u>6,965,790</u>	<u>3,165,790</u>
Total other financing sources	<u>1,556,495</u>	<u>4,607,894</u>	<u>3,051,399</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>873,860</u>	<u>4,755,431</u>	<u>3,881,571</u>
Fund balances at beginning of year	<u>8,495,989</u>	<u>8,495,989</u>	<u>-</u>
Fund balances at end of year	<u>\$ 9,369,849</u>	<u>\$ 13,251,420</u>	<u>\$ 3,881,571</u>

The accompanying notes are an integral part of this statement.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NON-MAJOR FUND DESCRIPTIONS
June 30, 2006

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

IMPROVING AMERICA'S SCHOOLS ACT (IASA) FUNDS

Title II – Part A of the IASA is a federally funded program to provide financial assistance to improve the skills of teachers and instruction in mathematics, science, computer learning, and foreign languages; and increase the access of all students to this instruction.

Title II – Part B (Math & Science Partnership) of the IASA is a federally funded program assist teachers as they strive to meet certification and the highly qualified ranking. The MSP program has been designed to improve the academic achievement of students by enhancing content knowledge and teaching skills of classroom math and science teachers.

Title IV of the IASA is a program that provides project grants to school systems to assist in developing programs of drug abuse education and prevention that are coordinated with related community efforts and resources. The program is federally financed and state-administered.

Title V of the IASA is federally funded grant to allow local school systems to develop a comprehensive district wide school improvement and reform plans to improve teaching and learning for all children.

Title VI (REAP) of the IASA is a program by which the federal government provides funds for purposes which the school board may designate with approval of the Louisiana Department of Education. The Iberville Parish School Board used Chapter funds to purchase library and reference materials in fiscal 1993.

VOCATIONAL EDUCATION FUND

Vocational Education is a federally funded program restricted to expenditures for salaries, supplies, and equipment to be used in vocational education programs. It consists of funds derived from the Carl D. Perkins Funds as well as Gateway funds.

SPECIAL EDUCATION FUND

The IDEA (Individuals with Disabilities Education Act) Fund accounts for two federally financed programs which provide free education in the least restricted environment to children with exceptionalities.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NON-MAJOR FUND DESCRIPTIONS
June 30, 2006

ADULT EDUCATION FUND

Adult Education is both federally and state funded, and offers education opportunities to persons age 16 or older, who are no longer enrolled in school and who generally wish to pursue a Graduation Equivalency Degree (GED) high school diploma.

CLASS SIZE REDUCTION FUND

Class Size Reduction is a federally funded program to reduce class sizes, particularly in the early grades, using highly qualified teachers to improve educational achievement for regular and special needs children.

ENHANCING EDUCATION THROUGH TECHNOLOGY (E2T2) GRANT FUND

The E2T2 Fund is a federally funded program to develop and implement systematic technology plans to improve teaching and learning of all children.

PROJECT IMPACT

This federally funded program allows school facilities and resources to be used after school hours for the enrichment and basic learning development of both adults and school age children.

STARTING POINTS

The Starting Points Fund is a federally funded program designed to acclimate at-risk four year olds to an early educational setting so that they may be better prepared for Kindergarten.

SALES TAX BENEFIT

The Sales Tax Benefits Fund accounts for the proceeds and expenditure of monies collected from the one-third of one percent (1/3%) sales and use tax approved by voters on October 20, 2001. Proceeds of this tax are dedicated to employee health benefits.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NON-MAJOR FUND DESCRIPTIONS
June 30, 2006

OTHER STATE FUNDS

Other state funds consists of certain smaller programs funded through the state's 8(g) funds, which are state grants approved by the State Board of Elementary and Secondary Education and which are to be used for local initiatives.

ALTERNATIVE SCHOOL

The Alternative School Fund was created when the voters of Iberville Parish approved the levy of a two mill ad valorem tax for this purpose on July 20, 1996. The school which opened in August 1997 is intended to address the needs of students who: 1) have been expelled from school for disciplinary reason; and 2) those students who have fallen two or more years behind grade level from their peers.

SALES TAX SALARIES

The Sales Tax Salaries Fund accounts for 66.67% of the proceeds of the 2/3 of one per cent sales and use tax approved by parish voters on July 13, 1991. The fund is dedicated to salaries, related employee benefits, and school bus operations.

SCHOOL LUNCH FUND

School Lunch is a program that provides nourishing meals to students in all grades. This program is supplemented by both federal and state funds that are based on reimbursement and participation.

READING FIRST

This federally funded program is part of NCLB (No Child Left Behind) Act of 2001. The purpose of this grant is to ensure that all children in America learn to read by the end of the third grade.

SCHOOL RENOVATION

School Renovation is a federally funded program to target high poverty and rural schools with one-time federal funds to states for competitively-awarded grants to LEA's for technology in conjunction with school repairs or activities under Part B of IDEA.

IBERVILLE PARISH SCHOOL BOARD
Plaquemine, Louisiana

NON-MAJOR FUND DESCRIPTIONS
June 30, 2006

JAG

JAG is a program to provide students who are at risk of failing in school an avenue for achieving academically, for ultimately earning recognized credentials that will make it possible for them to exit school and enter post-secondary education and/or the workforce and to recover those students who have already exited the school setting without a standard diploma, GED or skills training.

DISLACED STUDENT AID

Emergency Impact Aid program is to provide funds to SEAs, LEAs, and Bureau of Indian Affairs (BIA)-funded schools to assist with the cost of educating students displaced by Hurricane Katrina or Hurricane Rita during school year 2005-2006. Funds are also provided for non-public schools on behalf of displaced students they serve.

CSRP (COMPREHENSIVE SCH REFORM PROG)

CSRP is a program to raise student achievement by helping high-poverty, low-performing schools implement research-based comprehensive school reform programs.

PRE-GED SKILLS OPTION

Pre-GED Skills Option is a program to allow districts to provide appropriate materials to benefit student with disabilities' participation in the Options Program, and to provide materials to assess transition needs for students with disabilities – mild/moderate to severe/profound.

TITLE III – STUDENT INFLUX

Title III – Student Influx is a program to focus on assisting school districts in teaching English to limited English proficient students and in helping students meet the challenging State standards required of all students.

AGENCY FUND

The Agency Fund accounts for assets held in a fiduciary capacity by the school board.

SCHOOL ACTIVITY AGENCY FUND

The School Activity Agency Fund accounts for monies generated by the individual schools and school organizations within the parish. While these accounts are under the supervision of the school board, they belong to the individual schools or their student bodies and are not available for use by the school board.

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****NON-MAJOR GOVERNMENTAL FUNDS -****COMBINING BALANCE SHEET****JUNE 30, 2006**

	Salary Benefit	Alternative School Fund	Title IV	Math & Science Partnership	Other State
<u>Assets</u>					
Cash and cash equivalents	\$ 483,832	\$ 362,541	\$ 855	\$ -	\$ 935
Receivables	232,652	1,366	38,551	68,205	224,024
Due from other funds	-	-	-	1,742	37,208
Inventory	-	-	-	-	-
Total assets	\$ 716,484	\$ 363,907	\$ 39,406	\$ 69,947	\$ 262,167
<u>Liabilities and fund equity</u>					
Liabilities:					
Salaries payable, payroll deductions and withholdings payable	\$ -	\$ 67,096	\$ -	\$ 27,428	\$ 45,821
Accounts payable	-	4,798	37,460	8,411	59,701
Due to other funds	716,484	35,431	1,946	34,108	156,645
Total liabilities	716,484	107,325	39,406	69,947	262,167
Fund equity:					
Fund balance	-	256,582	-	-	-
Total liabilities and fund equity	\$ 716,484	\$ 363,907	\$ 39,406	\$ 69,947	\$ 262,167

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****NON-MAJOR GOVERNMENTAL FUNDS -****COMBINING BALANCE SHEET****JUNE 30, 2006**

	E2T2	JAG	Title V	Pre-GED Skills Option	School Renovation
<u>Assets</u>					
Cash and cash equivalents	\$ 1,893	\$ -	\$ 435	\$ -	\$ 1,602
Receivables	62,914	-	2,051	49,478	-
Due from other funds	84	4,309	-	-	-
Inventory	-	-	-	-	-
Total assets	\$ 64,891	\$ 4,309	\$ 2,486	\$ 49,478	\$ 1,602
<u>Liabilities and fund equity</u>					
Liabilities:					
Salaries payable, payroll deductions and withholdings payable	\$ 403	\$ 786	\$ -	\$ -	\$ -
Accounts payable	32,130	3,523	-	1,995	-
Due to other funds	32,358	-	2,486	47,483	1,602
Total liabilities	64,891	4,309	2,486	49,478	1,602
Fund equity:					
Fund balance	-	-	-	-	-
Total liabilities and fund equity	\$ 64,891	\$ 4,309	\$ 2,486	\$ 49,478	\$ 1,602

IBERVILLE PARISH SCHOOL BOARD

Plaquemine, Louisiana

NON-MAJOR GOVERNMENTAL FUNDS -

COMBINING BALANCE SHEET

JUNE 30, 2006

	<u>Title II, Part A</u>	<u>Reading First</u>	<u>LA4/Starting Points</u>	<u>Comprehensive School Reform Program</u>
<u>Assets</u>				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Receivables	203,048	491,463	6,500	20,703
Due from other funds	52,294	76,557	98,421	-
Inventory	-	-	-	-
Total assets	\$ 255,342	\$ 568,020	\$ 104,921	\$ 20,703
<u>Liabilities and fund equity</u>				
<u>Liabilities:</u>				
Salaries payable, payroll deductions and withholdings payable	\$ 34,010	\$ 121,004	\$ 45,997	\$ 3,644
Accounts payable	71,719	35,174	31,920	461
Due to other funds	149,613	411,842	27,004	16,598
Total liabilities	255,342	568,020	104,921	20,703
<u>Fund equity:</u>				
Fund balance	-	-	-	-
Total liabilities and fund equity	\$ 255,342	\$ 568,020	\$ 104,921	\$ 20,703

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****NON-MAJOR GOVERNMENTAL FUNDS -****COMBINING BALANCE SHEET****JUNE 30, 2006**

	Vocational Education	IDEA	Adult Education	Displaced Student Aid	Title III
<u>Assets</u>					
Cash and cash equivalents	\$ -	\$ 2,430	\$ 136	\$ -	\$ -
Receivables	95,023	297,356	21,351	1,392,218	2,084
Due from other funds	2	349,758	-	-	-
Inventory	-	-	-	-	-
Total assets	\$ 95,025	\$ 649,544	\$ 21,487	\$ 1,392,218	\$ 2,084
<u>Liabilities and fund equity</u>					
Liabilities:					
Salaries payable, payroll deductions and withholdings payable	\$ -	\$ 74,024	\$ -	\$ -	\$ 1,390
Accounts payable	14,752	47,279	300	-	-
Due to other funds	80,273	528,241	21,187	1,392,218	694
Total liabilities	95,025	649,544	21,487	1,392,218	2,084
Fund equity:					
Fund balance	-	-	-	-	-
Total liabilities and fund equity	\$ 95,025	\$ 649,544	\$ 21,487	\$ 1,392,218	\$ 2,084

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****NON-MAJOR GOVERNMENTAL FUNDS -****COMBINING BALANCE SHEET****JUNE 30, 2006**

	<u>Project Impact</u>	<u>REAP</u>	<u>School Lunch</u>	<u>Sales Tax Benefit</u>	<u>Total</u>
<u>Assets</u>					
Cash and cash equivalents	\$ -	\$ 1,370	\$ 1,291,576	\$ 245,197	\$ 2,392,802
Receivables	243,541	-	44,943	174,363	3,671,834
Due from other funds	77,803	-	297,491	-	995,669
Inventory	-	-	15,476	-	15,476
Total assets	\$ 321,344	\$ 1,370	\$ 1,649,486	\$ 419,560	\$ 7,075,781
<u>Liabilities and fund equity</u>					
Liabilities:					
Salaries payable, payroll deductions and withholdings payable	\$ 109,671	\$ -	\$ 130,322	\$ -	\$ 661,596
Accounts payable	27,115	-	52,500	138,661	567,899
Due to other funds	184,558	1,370	177,548	-	4,019,689
Total liabilities	321,344	1,370	360,370	138,661	5,249,184
Fund equity:					
Fund balance	-	-	1,289,116	280,899	1,826,597
Total liabilities and fund equity	\$ 321,344	\$ 1,370	\$ 1,649,486	\$ 419,560	\$ 7,075,781

IBERVILLE PARISH SCHOOL BOARD

Plaquemine, Louisiana

NON-MAJOR GOVERNMENTAL FUNDS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2006

	Salary Benefit	Alternative School Fund	Title IV	Math & Science Partnership	Other State
Revenues					
Local sources:					
Taxes - ad valorem	\$ -	\$ 622,442	\$ -	\$ -	\$ -
Taxes - sales	2,743,665	-	-	-	-
Food sales	-	-	-	-	-
Earnings on investments	10,224	5,059	-	-	-
Other	-	47,890	-	-	103,827
State sources:					
Unrestricted grants-in-aid	-	-	-	-	-
Restricted grants-in-aid	-	-	-	-	511,054
Federal sources:					
Restricted grants-in-aid - subgrants	-	-	48,901	146,133	-
Commodities - United States Department of Agriculture	-	-	-	-	-
Total revenues	2,753,889	675,391	48,901	146,133	614,881
Expenditures					
Instruction:					
Regular education programs	-	11,787	-	138,463	364,668
Special education programs	-	39,525	-	-	6,312
Other education programs	-	279,914	-	-	62,644
Support services:					
Pupil support services	-	54,001	47,943	2,107	130,607
Instructional staff services	-	48,411	-	-	60,338
General administration	-	31,416	-	-	-
School administration	-	240,890	-	-	-
Business and central services	-	3	-	-	-
Plant operation and maintenance	-	56,621	-	-	-
Transportation	-	-	-	-	-
Central services	-	-	-	-	-
Community service	-	-	-	-	-
Non-instructional services:					
School food service	-	-	-	-	-
Total expenditures	-	762,568	47,943	140,570	624,569
Excess (deficiency) of revenues over expenditures	2,753,889	(87,177)	958	5,563	(9,688)
Other financing sources (uses)					
Operating transfers out	(2,753,889)	-	(958)	(7,305)	(2,436)
Operating transfers in	-	-	-	1,742	12,124
Total other sources (uses)	(2,753,889)	-	(958)	(5,563)	9,688
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	(87,177)	-	-	-
Fund balances at beginning of year	-	343,759	-	-	-
Fund balances at end of year	\$ -	\$ 256,582	\$ -	\$ -	\$ -

IBERVILLE PARISH SCHOOL BOARD

Plaquemine, Louisiana

NON-MAJOR GOVERNMENTAL FUNDS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2006

	E2T2	JAG	Title V	Pre-GED Skills Option	School Renovation
Revenues					
Local sources:					
Taxes - ad valorem	\$ -	\$ -	\$ -	\$ -	\$ -
Taxes - sales	-	-	-	-	-
Food sales	-	-	-	-	-
Earnings on investments	-	-	-	-	-
Other	-	4,843	-	-	-
State sources:					
Unrestricted grants-in-aid	-	-	-	-	-
Restricted grants-in-aid	-	-	-	49,478	-
Federal sources:					
Restricted grants-in-aid - subgrants	325,997	-	17,254	-	-
Commodities - United States Department of Agriculture	-	-	-	-	-
Total revenues	<u>325,997</u>	<u>4,843</u>	<u>17,254</u>	<u>49,478</u>	<u>-</u>
Expenditures					
Instruction:					
Regular education programs	-	4,843	-	-	-
Special education programs	-	-	-	-	-
Other education programs	-	-	-	-	-
Support services:					
Pupil support services	282,807	-	-	49,478	-
Instructional staff services	33,220	-	16,384	-	-
General administration	-	-	-	-	-
School administration	-	-	-	-	-
Business and central services	-	-	-	-	-
Plant operation and maintenance	-	-	-	-	-
Transportation	-	-	-	-	-
Central services	-	-	-	-	-
Community service	-	-	-	-	-
Non-instructional services:					
School food service	-	-	-	-	-
Total expenditures	<u>316,027</u>	<u>4,843</u>	<u>16,384</u>	<u>49,478</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>9,970</u>	<u>-</u>	<u>870</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)					
Operating transfers out	(10,054)	-	(870)	-	-
Operating transfers in	84	-	-	-	-
Total other sources (uses)	<u>(9,970)</u>	<u>-</u>	<u>(870)</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	-	-	-
Fund balances at beginning of year	-	-	-	-	-
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****NON-MAJOR GOVERNMENTAL FUNDS****COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**
FOR THE YEAR ENDED JUNE 30, 2006

	Title II, Part A	Reading First	LA4/Starting Points	Comprehensive School Reform Program
<u>Revenues</u>				
Local sources:				
Taxes - ad valorem	\$ -	\$ -	\$ -	\$ -
Taxes - sales	-	-	-	-
Food sales	-	-	-	-
Earnings on investments	-	-	-	-
Other	-	2,066	-	-
State sources:				
Unrestricted grants-in-aid	-	-	-	-
Restricted grants-in-aid	-	-	310,838	-
Federal sources:				
Restricted grants-in-aid - subgrants	446,468	1,383,373	143,291	212,598
Commodities - United States				
Department of Agriculture	-	-	-	-
Total revenues	<u>446,468</u>	<u>1,385,439</u>	<u>454,129</u>	<u>212,598</u>
<u>Expenditures</u>				
Instruction:				
Regular education programs	-	-	-	-
Special education programs	-	-	-	-
Other education programs	-	1,323,800	440,845	204,420
Support services:				
Pupil support services	-	-	-	-
Instructional staff services	422,510	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Business and central services	-	-	-	-
Plant operation and maintenance	-	-	-	-
Transportation	-	-	-	-
Central services	-	-	-	-
Community service	-	-	-	-
Non-instructional services:				
School food service	-	-	-	-
Total expenditures	<u>422,510</u>	<u>1,323,800</u>	<u>440,845</u>	<u>204,420</u>
Excess (deficiency) of revenues over expenditures	<u>23,958</u>	<u>61,639</u>	<u>13,284</u>	<u>8,178</u>
Other financing sources (uses)				
Operating transfers out	(23,958)	(61,639)	(13,284)	(8,178)
Operating transfers in	-	-	-	-
Total other sources (uses)	<u>(23,958)</u>	<u>(61,639)</u>	<u>(13,284)</u>	<u>(8,178)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	-	-
Fund balances at beginning of year	-	-	-	-
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IBERVILLE PARISH SCHOOL BOARD

Plaquemine, Louisiana

NON-MAJOR GOVERNMENTAL FUNDS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2006

	Vocational Education	IDEA	Adult Education	Displaced Student Aid	Title III
<u>Revenues</u>					
Local sources:					
Taxes - ad valorem	\$ -	\$ -	\$ -	\$ -	\$ -
Taxes - sales	-	-	-	-	-
Food sales	-	-	-	-	-
Earnings on investments	-	-	-	-	-
Other	-	6	-	-	-
State sources:					
Unrestricted grants-in-aid	-	-	-	-	-
Restricted grants-in-aid	-	-	-	-	-
Federal sources:					
Restricted grants-in-aid - subgrants	95,023	928,773	35,723	1,429,342	2,084
Commodities - United States Department of Agriculture	-	-	-	-	-
Total revenues	<u>95,023</u>	<u>928,779</u>	<u>35,723</u>	<u>1,429,342</u>	<u>2,084</u>
<u>Expenditures</u>					
Instruction:					
Regular education programs	-	-	-	36,382	-
Special education programs	91,538	668,499	-	-	-
Other education programs	-	-	35,544	-	2,084
Support services:					
Pupil support services	-	-	-	-	-
Instructional staff services	3,487	395,608	-	-	-
General administration	-	-	-	-	-
School administration	-	-	-	-	-
Business and central services	-	-	-	-	-
Plant operation and maintenance	-	-	-	-	-
Transportation	-	-	-	-	-
Central services	-	-	-	-	-
Community service	-	-	-	-	-
Non-instructional services:					
School food service	-	-	-	-	-
Total expenditures	<u>95,025</u>	<u>1,064,107</u>	<u>35,544</u>	<u>36,382</u>	<u>2,084</u>
Excess (deficiency) of revenues over expenditures	<u>(2)</u>	<u>(135,328)</u>	<u>179</u>	<u>1,392,960</u>	<u>-</u>
Other financing sources (uses)					
Operating transfers out	-	(44,299)	(179)	(1,392,960)	-
Operating transfers in	2	179,627	-	-	-
Total other sources (uses)	<u>2</u>	<u>135,328</u>	<u>(179)</u>	<u>(1,392,960)</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	-	-	-
Fund balances at beginning of year	-	-	-	-	-
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

IBERVILLE PARISH SCHOOL BOARD**Plaquemine, Louisiana****NON-MAJOR GOVERNMENTAL FUNDS****COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES****FOR THE YEAR ENDED JUNE 30, 2006**

	Project Impact	REAP	School Lunch	Sales Tax Benefit	Total
<u>Revenues</u>					
Local sources:					
Taxes - ad valorem	\$ -	\$ -	\$ -	\$ -	\$ 622,442
Taxes - sales	-	-	-	2,008,934	4,752,599
Food sales	-	-	220,603	-	220,603
Earnings on investments	-	-	5,814	706	21,803
Other	72,252	-	10,929	-	241,813
State sources:					
Unrestricted grants-in-aid	-	-	60,225	-	60,225
Restricted grants-in-aid	-	-	-	-	871,370
Federal sources:					
Restricted grants-in-aid - subgrants	496,720	6,473	1,752,960	-	7,471,113
Commodities - United States Department of Agriculture	-	-	124,057	-	124,057
Total revenues	<u>568,972</u>	<u>6,473</u>	<u>2,174,588</u>	<u>2,009,640</u>	<u>14,386,025</u>
<u>Expenditures</u>					
Instruction:					
Regular education programs	-	-	-	784,392	1,340,535
Special education programs	-	-	-	132,567	938,441
Other education programs	-	-	-	87,662	2,436,913
Support services:					
Pupil support services	466,362	6,013	-	46,937	1,086,255
Instructional staff services	-	-	-	51,627	1,031,585
General administration	-	-	-	23,833	55,249
School administration	-	-	-	127,617	368,507
Business and central services	-	-	-	19,135	19,138
Plant operation and maintenance	-	-	-	148,914	205,535
Transportation	-	-	-	205,218	205,218
Central services	-	-	-	3,273	3,273
Community service	-	-	-	3,682	3,682
Non-instructional services:					
School food service	-	-	2,745,011	137,608	2,882,619
Total expenditures	<u>466,362</u>	<u>6,013</u>	<u>2,745,011</u>	<u>1,772,465</u>	<u>10,576,950</u>
Excess (deficiency) of revenues over expenditures	<u>102,610</u>	<u>460</u>	<u>(570,423)</u>	<u>237,175</u>	<u>3,809,075</u>
Other financing sources (uses)					
Operating transfers out	(102,610)	(460)	(232,863)	-	(4,655,942)
Operating transfers in	-	-	301,009	-	494,588
Total other sources (uses)	<u>(102,610)</u>	<u>(460)</u>	<u>68,146</u>	<u>-</u>	<u>(4,161,354)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	(502,277)	237,175	(352,279)
Fund balances at beginning of year	-	-	1,791,393	43,724	2,178,876
Fund balances at end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,289,116</u>	<u>\$ 280,899</u>	<u>\$ 1,826,597</u>

IBERVILLE PARISH SCHOOL BOARD

Plaquemine, Louisiana

SCHEDULE OF BOARD MEMBERS' COMPENSATION

FOR THE YEAR ENDED JUNE 30, 2006

Barbee, Michael C.	\$ 9,600
Broussard, Nancy	9,850
Daigle, David	9,850
Delahaye, Thomas	9,750
Distefano, Paul	9,600
Edwards, Thomas J.	10,100
Hasten, Albertha	9,600
Kelley, Glynna M.	9,800
Lodge, Melvin	10,800
Martinez, Louis J.	9,600
Molden III, Freddie	9,600
Ourso, Darlene	9,850
Sansoni, Dorothy	9,950
Trusclair, Carson	4,000
Trusclair, Jacqueline	5,345
Willis, Brian	9,700
Total	<u>\$ 146,995</u>

IBERVILLE PARISH SCHOOL BOARD

REPORTS ON COMPLIANCE AND INTERNAL CONTROL

JUNE 30, 2006

IBERVILLE PARISH SCHOOL BOARD

REPORTS ON COMPLIANCE AND INTERNAL CONTROL

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Iberville Parish School Board

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Iberville Parish School Board as of and for the year ended June 30, 2006, which collectively comprise the Iberville Parish School Board's basic financial statements and have issued our report thereon dated August 10, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Iberville Parish School Board's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect Iberville Parish School Board's ability to initiate, record, process, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as item 06-4.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we believe that none of the reportable conditions described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Iberville Parish School Board's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing*

Standards which are described in the accompanying schedule of findings and questioned costs as items 06-1, 06-2, and 06-3.

We also noted certain additional matters that we reported to management of Iberville Parish School Board, in a separate letter dated August 10, 2007.

This report is intended solely for the information and use of the Iberville Parish School Board, management, others within the organization and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Postlithurite + Mettwill

August 10, 2007



Postlethwaite & Netterville

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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR
PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH
OMB CIRCULAR 1-133**

To the Iberville Parish School Board

Compliance

We have audited the compliance of the Iberville Parish School Board with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2006. Iberville Parish School Board's major federal programs are identified in the summary of auditor's result section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Iberville Parish School Board's management. Our responsibility is to express an opinion on Iberville Parish School Board's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Iberville Parish School Board's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Iberville Parish School Board's compliance with those requirements.

In our opinion, Iberville Parish School Board complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2006.

Internal Control Over Compliance

The management of Iberville Parish School Board is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Iberville Parish School Board's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, the aggregate remaining fund information of Iberville Parish School Board as of and for the year ended June 30, 2006, and have issued our report thereon dated August 10, 2007. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended solely for the information and use of the Iberville parish School Board, management, others within the organization and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Poathwaite & Mettrick

August 10, 2007

IBERVILLE PARISH SCHOOL BOARD

Plaquemine, Louisiana

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED JUNE 30, 2006

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Agency or Pass-through Number</u>	<u>Federal Expenditures</u>
UNITED STATES DEPARTMENT OF AGRICULTURE			
Food Distribution/Cash in Lieu of Commodities	10.550	None	\$ 103,833
Passed through Louisiana Department of Agriculture and Forestry - Food Distribution	10.550	None	20,224
Passed through Louisiana Department of Education:			
National School Breakfast Program	10.553	None	460,754
National School Lunch Program	10.555	None	1,247,263
Summer Food Service Program for Children	10.559	None	44,943
			<u>1,877,017</u>
UNITED STATES DEPARTMENT OF DEFENSE			
Reserve Officer Training Corp (ROTC)	None	None	<u>60,198</u>
UNITED STATES DEPARTMENT OF EDUCATION			
Direct Program:			
Project Impact	84.287A	S287A010497-03	28,794
Impact 21st Century Community Learning Grant	84.287C	28053C24	467,926
Passed through Louisiana Department of Education:			
Adult Education	84.002A	28-05-44-24	19,287
Adult Education - Supplemental	84.002A	28-05-21-24	16,436
E2T2 - FIRSTTech	84.318X	28-06-03 24	128,888
E2T2 - FIRSTTech	84.318X	28-05-03-24-C	1,640
E2T2 - Enhancing Education Through Technology	84.318X	28-06-49 24	23,600
E2T2 - Enhancing Education Through Technology C/O	84.318X	280449-24	11,004
E2T2 - SCHOOLTech	84.318X	28-06-4 24	160,865
IDEA - Part B, Special Education	84.027A	28-05-B1-24	886,475
IDEA - Preschool	84.027A	2805B3-24	30,816
IDEA - Statewide Student Support	84.027A	28-06-SO-24	11,482
Reading First	85.357A	28-05-RF-24-C	269,368
Reading First	85.357A	28-06-RF-24	803,298
Reading First Carryover	85.357A	28-05-RS-24	310,707
REAP-Rural Education Achievement Program C/O	84.358B	04-RE-24 C	6,473
LA 4 Starting Points Prekindergarten Programs	93.558	None	143,291
Title I	84.010A	S010A050018	1,577,656
Title I - Homeless	84.196A	28-06-H1-24	59,688
Title I - CSRP (Comprehensive School Reform Program)	84.332A	28-05-T8-24C	212,598
Title II, Part A	84.367A	S3677A050017	446,468
Title II - Part B, Math Science Partnership	84.366B	2805MP-24	102,751
Title II - Part B, Math Science Partnership	84.366B	28-04-MP-24	43,382
Title III - Student Influx	84.365A	28-04-S3-24-C	2,084

IBERVILLE PARISH SCHOOL BOARD

Plaquemine, Louisiana

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED JUNE 30, 2006

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Agency or Pass-through Number</u>	<u>Federal Expenditures</u>
UNITED STATES DEPARTMENT OF EDUCATION (continued)			
Passed through Louisiana Department of Education:			
Title IV - Drug-Free School and Communities	84.186A	Q186A050019	48,901
Title V - Innovative Education Program Strategies	84.298A	S298A50018	15,058
Title V - Innovative Education Program Strategies C/O	84.298A	04-80-24	2,196
Vocational Education and High Schools That Work	84.048A	28-06-02-24	81,971
Vocational Education Carryover	84.048A	28-05-02-24-C	13,052
			<u>5,926,155</u>
FEDERAL EMERGENCY MANAGEMENT AGENCY			
Passed through Louisiana Department of Military Affairs:			
Emergency Impact Aid	84.938C	None	1,429,342
FEMA - Hurricane Katrina	97.036	None	293,798
			<u>1,723,140</u>
Total			<u><u>9,586,510</u></u>

IBERVILLE PARISH SCHOOL BOARD
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2006

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Iberville Parish School Board and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE B – FOOD DISTRIBUTION

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received and disbursed. At June 30, 2006, the organization had food commodities totaling \$4,084 in inventory.

NOTE C - RELATIONSHIP TO FINANCIAL STATEMENTS

The expenditures are recognized as follows:

General Fund	\$ 353,996
Other Governmental	9,232,514
	<hr/> \$ 9,586,510 <hr/>

IBERVILLE PARISH SCHOOL BOARD
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2006

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of Iberville Parish School Board.
2. Reportable conditions relating to the audit of the financial statements are reported in the Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
3. Audit findings relative to instances of noncompliance with State Laws and Regulations in the financial statements of Iberville Parish School Board are reported in Part B of this Schedule.
4. No reportable conditions relating to the audit of the major federal award programs are reported in the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for Iberville Parish School Board expresses an unqualified opinion.
6. There were no audit findings relative to the major federal award programs for Iberville Parish School Board reported in Part C of this Schedule.
7. The programs tested as major programs include: National School Lunch Program CFDA No. 10.553, 10.555, and 10.559; Title II, Part A CFDA No. 84.367A; and Emergency Impact Aid CFDA No. 84.938C
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Iberville Parish School Board was determined to be a low-risk auditee.

B. FINDINGS – FINANCIAL STATEMENTS AUDIT

COMPLIANCE WITH STATE LAWS AND REGULATIONS

06-1 Financial Statements

Criteria: LSA-RS24:513 (5)(a) requires the engagement to be completed within six months of the close of the entity's fiscal year.

Condition: The School Board did not submit financial statements within six months of the close of the entity's fiscal year as a result of not completing trial balances and audit information in a timely manner due to turnover of finance staff.

Effect: The School Board's financial statements were not submitted timely.

Recommendation: The School Board should prepare trial balances and audit information in a timely manner.

Response: We concur with this finding. All future trial balances and audit information will be prepared in a timely manner.

06-2 Security for Deposits

Criteria: Louisiana Revised Statute 39:1225 requires that security for deposits of the governmental body shall at all times equal or exceed the outstanding balance of such deposits.

Condition: Deposits in the amount of \$227,354 were unsecured as of June 30, 2006.

Effect: The unsecured deposit balance is a violation of LRS 39:1225.

Recommendation: The School Board should ensure that deposits are fully collateralized at all times.

Response: We concur with this finding. Measures have been established to monitor collateral on a weekly basis to ensure that this does not happen again.

06-3 Louisiana Budget Law

Criteria: Louisiana Revised Statute 39:1305 requires that a budget shall be adopted for the general fund and each special revenue fund and should include a budget message signed by the budget preparer.

Condition: The School Board did not adopt budgets for eight of its special revenue funds and the School Board was unable to produce a budget message signed by the preparer.

Effect: The failure to adopt budgets for these special revenue funds, and failure to provide a signed budget message are violations of Louisiana Revised Statute 39:1305.

Recommendation: The school board shall adopt budgets for each special revenue fund each year and shall prepare and sign a budget message including a summary description of the proposed financial plan, policies, and objective, assumptions, budgetary basis, and a discussion of the most important features.

Response: We concur with this finding. The school board will adopt budgets for all special revenue funds each year and will issue a budget message as required by Louisiana Revised Statute 39:1305.

INTERNAL CONTROL

06-4 Purchases Orders

Criteria: In testing a sample of 40 checks, purchase orders were not provided for two purchases, one purchase order was not properly approved, and one purchase order was dated after the date of purchase.

Condition: The School Board requires the completion and authorization of purchase orders for all purchases made (with the exception of travel vouchers and monthly utility invoices).

Effect: The failure to provide authorized purchase orders for purchases made by the School Board can result in unauthorized purchases.

Recommendation: The school board shall prepare purchase orders and have them authorized by appropriate personnel before purchases are made.

Response: We concur with this finding. The school board has established new guidelines with regards to school board purchases to ensure that purchase orders are issued and authorized before purchases are made.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

US DEPARTMENT OF AGRICULTURE

National School Lunch Program CFDA No. 10.555, 10.555, 10.559

DEPARTMENT OF EDUCATION

Title II, Part A CDFA No. 84.367A

FEDERAL EMERGENCY MANAGEMENT AGENCY

Emergency Impact Aid CFDA No. 84.938C

None

IBERVILLE PARISH SCHOOL BOARD
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED JUNE 30, 2006

A. FINDINGS – FINANCIAL STATEMENTS AUDIT

COMPLIANCE WITH STATE LAWS AND REGULATIONS

05-1 Financial Statements

Condition: Financial statements were not submitted within six months of the close of the entity's fiscal year.

Current Status: Similar finding in the current year.

05-2 Security for Deposits

Condition: Deposits in the amount of \$100,810 were unsecured as of June 30, 2005.

Current Status: Similar finding in current year.

05-3 Louisiana Budget Law

Condition: The School Board did not adopt budgets for eight of its special revenue funds.

Current Status: Similar finding in current year.

INTERNAL CONTROL

05-4 Purchases Under State Contract

Condition: The School Board made purchases under state contract, but did not verify the vendor prices with the state contract price.

Current Status: There were no similar findings in the current year.

05-5 Timely Financial Data

Condition: The School Board did not prepare financial statements in a timely manner to submit to the board.

Current Status: The board is given monthly expenditures at the monthly board meetings, and as of September 2007 they will be given monthly financial statements.

05-6 Reimbursement Requests

Condition: The School Board did not use general ledger reports to prepare reimbursement requests.

Current Status: There were no similar findings in the current year.

**B. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS
AUDIT**

DEPARTMENT OF EDUCATION

Reading First – CFDA No. 85.357A

Enhancing Education Through Technology – CFDA No. 84.318X

Project Impact – CFDA No. 84.287A and 84.287C

05-7 Condition: Certifications for employees were not obtained.

Current Status: No similar findings in current year.

05-8 Condition: A physical inventory of equipment was not taken during the past two years.

Current Status: No similar findings in current year.

05-9 Condition: Verification for suspension and debarment for vendors was not obtained before purchases were made.

Current Status: No similar findings in current year.

05-10 Condition: Item requested for reimbursement did not meet the description of allowable cost in the approved budget.

Current Status: No similar findings in the current year.

C. FINDINGS INCLUDED IN MANAGEMENT LETTER

05-11 Conditions: Lack of segregation of duties for payroll
Voiding of unused checks
IT Security
Storage of Backup Files

Current Status: The School Board has converted to a new finance software that has been implemented on July 1, 2007. This new software will provide additional controls in all above areas.

IBERVILLE PARISH SCHOOL SYSTEM
PERFORMANCE AND STATISTICAL DATA



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**Independent Accountant's Report
On Applying Agreed-Upon Procedures**

To the Members of the
Iberville Parish School Board

Page 1 of 4

We have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of Iberville Parish School Board and the Legislative Auditor, State of Louisiana, solely to assist users in evaluating management's assertions about the performance and statistical data accompanying the annual financial statements of Iberville Parish School Board and to determine whether the specified schedules are free of obvious errors and omissions as provided by the Board of Elementary and Secondary Education (BESE) Bulletin. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings relate to the accompanying schedules of supplemental information and are as follows:

General Fund Instructional and Support Expenditures and Certain Local Revenue Sources (Schedule A)

Procedure #1:

We selected a random sample of 25 transactions and reviewed supporting documentation to determine if the sampled expenditures/revenues are classified correctly and are reported in the proper amounts for each of the following amounts reported on the schedule:

- Total General Fund Instructional Expenditures,
- Total General Fund Equipment Expenditures,
- Total Local Taxation Revenue,
- Total Local Earnings on Investment in Real Property,
- Total State Revenue in Lieu of Taxes,
- Nonpublic Textbook Revenue, and
- Nonpublic Transportation Revenue.

Results of procedure # 1:

In performing the testing on the sample of expenditures/revenues, we noted no transactions that were inappropriately classified or were recorded at an inappropriate amount.

Education Levels of Public School Staff (Schedule B)

Procedure # 2

We reconciled the total number of full-time classroom teachers per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule D) to the combined total number of full-time classroom teachers per this schedule and to school board supporting payroll records as of October 1st.

Results of Procedure # 2:

No differences were noted between the number of full-time classroom teachers per schedule 4 and schedule 2, or between the schedules and the Oct. 1 payroll records.

Procedure # 3

We reconciled the combined total of principals and assistant principals per the schedule "Experience of Public Principals and Full-time Classroom Teachers" (Schedule D) to the combined total of principals and assistant principals per this schedule.

Results of procedure # 3

No differences were noted between the number of principals and assistant principals per schedule D and schedule B, or between the schedules and the Oct. 1 payroll records.

Procedure # 4

We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1st and as reported on the schedule. We traced a random sample of 25 teachers to the individual's personnel file and determine if the individual's education level was properly classified on the schedule.

Results of Procedure # 4:

In our sample of 25 employees, no discrepancies existed between the aforementioned listing and the schedule.

Number and Type of Public Schools (Schedule C)

Procedure # 5

We obtained a list of schools by type as reported on the schedule. We compared the list to the schools and grade levels as reported on the National School Lunch Program (CFDA 10.555) application.

Results of Procedure # 5:

We noted no discrepancies between the schools as listed in the National School Lunch Program application and the list supporting the schools represented in the schedule.

Experience of Public Principals and Full-time Classroom Teachers (Schedule D)

Procedure #6

We obtained a list of full-time teachers, principals, and assistant principals by classification as of October 1 and as reported on the schedule and traced the same sample used in procedure 4 to the individual's personnel file and determined if the individual's experience was properly classified on the schedule.

Results of Procedure # 6:

In our sample of 25 employees, no discrepancies existed between the aforementioned listing and the schedule.

Public Staff Data (Schedule E)

Procedure # 7

We obtained a list of all classroom teachers including their base salary, extra compensation, and ROTC or rehired retiree status as well as full-time equivalent as reported on the schedule and traced a random sample of 25 teachers to the individual's personnel file and determined if the individual's salary, extra compensation, and full-time equivalents were properly included on the schedule.

Results of procedure # 7:

In our sample of 25, we noted reasonableness between the level of compensation that would be appropriate for the education and experience level per the district wide salary schedule and the amount actually paid per the aforementioned listing. Note that reasonableness is considered because the actual pay that was used in the computation of the average and the annual salary the salary schedule may be different due to docs in pay or other factors.

Procedure # 8

We recalculated the average salaries and full-time equivalents reported in the schedule.

Results of procedure # 8:

We noted no differences in the averages reported on the schedule and our calculations.

Class Size Characteristics (Schedule F)

Procedure # 9

We obtained a list of teachers and the classes that they teach with the class size and reconciled that list to the total classes for each class size category as reported on the schedule. We then traced a random sample of 10 classes to the February 1st roll books for those classes and determined if the class was properly classified on the schedule.

Results of Procedure # 9

No differences noted.

Louisiana Educational Assessment Program (LEAP) for the 21st Century (Schedule G)

Procedure # 10

We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the Iberville Parish School Board.

Results of Procedure # 10:

No differences were noted.

The Graduation Exit Exam for the 21st Century (Schedule H)

Procedure # 11

We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the Iberville Parish School Board.

Results of Procedure #11

No differences were noted.

The iLEAP Tests/The Iowa Tests (Schedule I)

Procedure # 12

We obtained test scores as provided by the testing authority and reconciled scores as reported by the testing authority to scores reported in the schedule by the Iberville Parish School Board.

Results of Procedure # 12

No differences were noted.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of Iberville Parish School Board, the Louisiana Department of Education, the Louisiana Legislature, and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Postlethwaite & Mettwilly

August 29, 2007

IBERVILLE PARISH SCHOOL BOARD
BATON ROUGE, LOUISIANA

Schedules Required by State Law (R.S. 24:514 - Performance and Statistical Data)
As of and for the Year Ended June 30, 2006

Schedule A - General Fund Instructional and Support Expenditures and Certain Local Revenue Sources

This schedule includes general fund instructional and equipment expenditures. It also contains local taxation revenue, earnings on investments, revenue in lieu of taxes, and nonpublic textbook and transportation revenue. This data is used either in the Minimum Foundation Program (MFP) formula or is presented annually in the MFP 70% Expenditure Requirement Report.

Schedule B - Education Levels of Public School Staff

This schedule includes the certificated and uncertificated number and percentage of full-time classroom teachers and the number and percentage of principals and assistant principal's with less than a Bachelor's; Master's; Master's +30; Specialist in Education; and Ph. D or Ed. D. degrees. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule C - Number and Type of Public Schools

This schedule includes the number of elementary, middle/junior high, secondary and combination schools in operation during the fiscal year. This data is currently reported to the Legislature in the Annual Financial Statistical Report (AFSR).

Schedule D - Experience of Public Teachers and Full-time Classroom Teachers

This schedule includes the number of years of experience in teaching for assistant principals, principals, and full-time classroom teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule E - Public School Staff Data

This schedule includes average classroom teachers salary using full-time equivalents, including and excluding ROTC and rehired retiree teachers. This data is currently reported to the Legislature in the Annual Financial and Statistical Report (AFSR).

Schedule F - Class Size Characteristics

This schedule includes the percent and number of classes with student enrollment in the following ranges: 1-20, 21-26, 27-33, and 34+ students. This data is currently reported to the legislature in the Annual School Report (ASR).

Schedule G - Louisiana Educational Assessment Program (LEAP)

This schedule represents student performance testing data and includes summary scores by district for grades 4 and 8 in each category tested. Scores are reported as Advanced, Proficient, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

Schedule H - The Graduation Exit Exam

This schedule represents student performance testing data and includes summary scores by district for grades 10 and 11 in each category tested. Scores are reported as Advanced, Proficient, Basic, Approaching Basic, and Unsatisfactory. This schedule includes three years of data.

Schedule I - The iLEAP Tests/The IOWA Tests

The IOWA tests have been replaced by the iLEAP test in 2006. This schedule represents student performance testing data and includes a summary score for grades 3, 5, 6, 7 and 9 for each district. The summary score reported is the National Percentile Rank showing relative position or rank as compared to a large, representative sample of students in the same grade from the entire nation. This schedule includes two years of data for the IOWA test and one year of data for the *iLEAP* test..

Iberville Parish School Board
Plaquemine, Louisiana

**Schedule 1: General Fund Instructional and Support Expenditures
and Certain Local Revenue Sources For the Year Ended June 30, 2006**

**General Fund Instructional and Support Expenditures and Certain Local Revenue Sources
2005-2006**

General Fund Instructional and Equipment Expenditures

General Fund Instructional Expenditures:

Teacher and Student Interaction Activities:

Classroom Teacher Salaries	\$ 11,388,596
Other Instructional Salaries	1,075,468
Employee Benefits	3,282,437
Purchased Professional and Technical Services	83,779
Instructional Materials and Supplies	551,525
Instructional Equipment	<u>257,487</u>
Total Teacher and Student Interaction Activities	\$ 16,639,292

Other Instructional Activities 614,324

Pupil Support Activities 1,264,262
Less: Equipment for Pupil Support Activities -
Net Pupil Support Activities 1,264,262

Instructional Staff Services 1,292,675
Less: Equipment for Instructional Staff Services (15,014)
Net Instructional Staff Services 1,277,661

Total General Fund Instructional Expenditures \$ 19,795,539

Total General Fund Equipment Expenditures: \$ 282,878

Certain Local Revenue Sources

Local Taxation Revenue:

Constitutional Ad Valorem Taxes	\$ 1,181,381
Renewable Ad Valorem Tax	6,826,993
Debt Service Ad Valorem Tax	3,306,665
Up to 1% of Collections y the Sheriff on Taxes Other than School Taxes	305,395
Sales and Use Taxes	<u>8,180,172</u>
Total Local Taxation Revenue	<u>\$ 19,800,606</u>

Local Earnings on Investment in Real Property

Earnings from 16th Section Property	-
Earnings from Other Real Property	-
Total Local Earning on Investment in Real Property	-

State Revenue in Lieu of Taxes:

Revenue Sharing - Constitutional Tax	-
Revenue Sharing - Other Taxes	\$ 150,322
Revenue Sharing - Excess Portion	-
Other Revenue in Lieu f Taxes	-
Total State Revenue in Lieu of Taxes	<u>\$ 150,322.0</u>

Nonpublic Textbook Revenue \$ 21,772

Nonpublic Transportation Revenue \$ 62,857

Iberville Parish School Board
Plaquemine, Louisiana

Schedule 2: Education Levels of Public School Staff

Category	Full-time Classroom Teachers				Principals & Assistant Principals			
	Certified		Uncertified		Certified		Uncertified	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than a Bachelor's Degree	1	0%	0	0%	0	0%	0	0%
Bachelor's Degree	203	58%	0	0%	0	0%	0	0%
Master's Degree	78	22%	0	0%	5	23%	0	0%
Master's Degree + 30	56	16%	0	0%	11	50%	0	0%
Specialist in Education	10	3%	0	0%	6	27%	0	0%
Ph. D. or Ed. D.	0	0%	0	0%	0	0%	0	0%
Total	348	100%	0	0%	22	100%	0	0%

Iberville Parish School Board
Plaquemine, Louisiana

Schedule 3: Number and Type of Public Schools

Type	Number
Elementary	2
Middle/Jr. High	1
Secondary	2
Combination	4
Total	9

Iberville Parish School Board
Plaquemine, Louisiana

Schedule 4: Experience of Public Principals, Assistant Principals, and Full Time Classroom Teachers

	0-1 Yr.	2-3 Yrs.	4-10 Yrs.	11-14 Yrs.	15-19 Yrs.	20-24 Yrs.	25+ Yrs.	Total
Assistant Principals	0	0	4	1	1	1	6	13
Principals	0	0	1	0	2	2	4	9
Classroom Teachers	60	25	61	35	31	26	112	350
Total	60	25	66	36	34	29	122	372

Iberville Parish School Board
Plaquemine, Louisiana

Schedule 5: Public School Staff Data : Average Salaries

	All Classroom Teachers	Classroom Teachers Excluding ROTC and Rehired Retirees
Average Classroom Teacher's Salary Including Extra Compensation	\$ 39,776.00	\$ 40,463.00
Average Classroom Teachers' Salary Excluding Extra Compensation	\$ 37,533.00	\$ 38,093.00
Number of Teacher Full-time Equivalents (FTEs) used in Computation of Average Salaries	309	253

Iberville Parish School Board
Plaquemine, Louisiana

Schedule 6: Class Size Characteristics

Class Size Characteristics As of October 1, 2005

School Type	Class Size Range							
	1-20		21-26		27-33		34 +	
	Percent	Number	Percent	Number	Percent	Number	Percent	Number
Elementary	57.6%	213	37.8%	140	4.6%	17	0.0%	0
Elementary Activity Classes	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Middle / Jr. High	41.2%	54	58.0%	76	0.8%	1	0.0%	0
Middle / Jr. High Activity Classes	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
High	76.6%	105	21.9%	30	1.5%	2	0.0%	0
High Activity Classes	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Combination	89.3%	433	9.9%	48	80.0%	4	0.0%	0
Combination Activity Classes	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Iberville Parish School Board
Plaquemine, Louisiana

Schedule 7: Louisiana Educational Assessment Program (LEAP)

District Achievement Level Results	English Language Arts						Mathematics					
	2006		2005		2004		2006		2005		2004	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 4												
Advanced	3	0.8%	4	1.0%	6	1.7%	5	1.4%	3	0.8%	3	0.8%
Mastery	34	9.4%	38	9.6%	31	8.6%	32	8.8%	35	8.8%	27	7.5%
Basic	148	40.8%	191	48.1%	135	37.5%	144	39.7%	176	44.3%	119	33.1%
Approaching Basic	100	27.5%	103	25.9%	109	30.3%	99	27.3%	98	24.7%	105	29.2%
Unsatisfactory	78	21.5%	61	15.4%	79	21.9%	83	22.8%	85	21.4%	106	29.4%
Total	363	100.0%	397	100.0%	360	100.0%	363	100.0%	397	100.0%	360	100.0%

District Achievement Level Results	Science						Social Studies					
	2006		2005		2004		2006		2005		2004	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 8												
Advanced	1	0.3%	5	1.5%	0	0.0%	0	0.0%	3	0.9%	0	0.0%
Mastery	16	5.5%	23	6.8%	21	7.2%	13	4.5%	18	5.4%	17	5.9%
Basic	104	36.0%	100	29.8%	93	32.1%	123	42.4%	144	43.0%	117	40.3%
Approaching Basic	104	35.9%	135	40.2%	105	36.2%	90	31.0%	92	27.5%	108	37.2%
Unsatisfactory	65	22.4%	73	21.7%	71	24.5%	64	22.1%	78	23.3%	48	16.6%
Total	290	100.1%	336	100.0%	290	100.0%	290	100.0%	335	100.1%	290	100.0%

Iberville Parish School Board
Plaquemine, Louisiana

Schedule 8: Graduation Exit Examination (GEE)

District Achievement Level Results	English Language Arts						Mathematics					
	2006		2005		2004		2006		2005		2004	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 10												
Advanced	2	0.9%	1	0.5%	1	0.4%	6	2.8%	8	3.9%	13	5.8%
Mastery	19	8.8%	21	10.1%	27	11.9%	22	10.2%	18	8.7%	29	12.9%
Basic	91	42.1%	88	42.3%	94	41.4%	86	39.8%	75	36.2%	87	38.7%
Approaching Basic	63	29.2%	60	28.8%	58	25.6%	48	22.2%	34	16.4%	41	18.2%
Unsatisfactory	41	19.0%	38	18.3%	47	20.7%	54	25.0%	72	34.8%	55	24.4%
Total	216	100.0%	208	100.0%	227	100.0%	216	100.0%	207	100.0%	225	100.0%

District Achievement Level Results	Science						Social Studies					
	2006		2005		2004		2006		2005		2004	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 11												
Advanced	2	1.2%	4	2.3%	4	2.0%	0	0.0%	0	0.0%	0	0.0%
Mastery	8	4.8%	18	10.5%	8	4.1%	8	4.8%	16	9.2%	10	5.1%
Basic	47	28.3%	59	34.3%	61	31.0%	76	45.8%	82	47.4%	97	49.7%
Approaching Basic	59	35.5%	63	36.6%	66	33.5%	41	24.7%	37	21.4%	59	30.3%
Unsatisfactory	50	30.1%	28	16.3%	58	29.4%	41	24.7%	38	22.0%	29	14.9%
Total	166	100.0%	172	100.0%	197	100.0%	166	100.0%	173	100.0%	195	100.0%

Iberville Parish School Board
Plaquemine, Louisiana

Schedule 9: Iowas and iLEAP Tests

Iowa Tests

	Composite	
	2005	2004
Iowas Tests of Basic Skills (ITBS)		
Grade 3	47	50
Grade 5	49	44
Grade 6	36	39
Grade 7	44	39
Iowa Tests of Educational Development (ITED)		
Grade 9	38	37

iLEAP Tests

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2006		2006		2006		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 3								
Advanced	6	2%	4	1%	1	0%	0	0%
Mastery	27	8%	17	5%	10	3%	13	4%
Basic	133	41%	131	40%	109	33%	131	40%
Approaching Basic	90	28%	105	32%	144	44%	112	34%
Unsatisfactory	70	21%	69	21%	62	19%	70	21%
Total	326	100%	326	100%	326	100%	326	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2006		2006		2006		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 5								
Advanced	2	1%	5	2%	1	0%	6	2%
Mastery	38	12%	19	6%	16	5%	16	5%
Basic	132	41%	141	43%	108	33%	121	37%
Approaching Basic	103	32%	70	22%	133	41%	102	31%
Unsatisfactory	50	15%	90	28%	67	21%	80	25%
Total	325	100%	325	100%	325	100%	325	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2006		2006		2006		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 6								

Advanced	6	2%	1	0%	1	0%	4	1%
Mastery	25	8%	26	8%	18	6%	11	3%
Basic	129	40%	130	41%	101	32%	115	36%
Approaching Basic	92	29%	77	24%	130	41%	106	33%
Unsatisfactory	68	21%	86	27%	70	22%	84	26%
Total	320	100%	320	100%	320	100%	320	100%

District Achievement Level Results	English Language Arts		Mathematics		Science		Social Studies	
	2006		2006		2006		2006	
Students	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Grade 7								
Advanced	9	2%	2	1%	3	1%	0	0%
Mastery	19	5%	9	2%	17	5%	15	4%
Basic	164	44%	118	32%	92	25%	146	39%
Approaching Basic	117	31%	127	34%	148	40%	108	29%
Unsatisfactory	64	17%	117	31%	111	30%	101	27%
Total	373	100%	373	100%	371	100%	370	100%

District Achievement Level Results	English Language Arts		Mathematics	
	2006		2006	
Students	Number	Percent	Number	Percent
Grade 9				
Advanced	1	0%	0	0%
Mastery	9	3%	8	3%
Basic	102	35%	126	44%
Approaching Basic	125	43%	81	28%
Unsatisfactory	51	18%	72	25%
Total	288	100%	287	100%



Iberville Parish School Board

P. EDWARD CANCIENNE, JR., Ph.D.
*Superintendent
Secretary-Treasurer*

MELVIN LODGE
President

GLYNA M. KELLY
Vice-President

September 6, 2007

Mr. C. Michael Schexnayder
Postlethwaite and Netterville
PO Box 1190
Donaldsonville, La 70346

Dear Mr. Schexnayder:

The following is a response to the items brought to the attention of the Iberville Parish School Board in your management letter as a result of your financial audit for the year ended June 30, 2006.

Failure to Submit Financial Statements in a Timely Manner

The audited financial statements of the Iberville Parish School Board were not submitted within six months of the close of the fiscal year ending June 30, 2006 as required by LSA-RS24:513(5)(a). We concur with this finding and are committed to preparing the audit information and corresponding financial statements in a timely manner.

Security for Deposits

During the course of your audit, it was noted that the Iberville Parish School Board did not ensure that all deposits on hand were fully collateralized. We concur with the findings and will ensure that deposits are fully collateralized at all times.

Louisiana Budget Law

During the course of your audit, it was noted that the Iberville Parish School Board did not adopt budgets for eight of its special revenue funds and the School Board was unable to produce a budget message signed by the preparer. We concur with the findings and all budgets will be adopted each year and prepare a budget message as required by law.

P.O. BOX 151 • PLAQUEMINE, LA 70765-0151 • PH. (225) 687-4341 • FAX (225) 687-5408 • www.ipsb.net

Stanley Washington <i>Maringouin, La.</i>	Michael J. Hebert, Jr. <i>Plaquemine, La.</i>	Tom Delahaye <i>Plaquemine, La.</i>	Brian S. Willis <i>Plaquemine, La.</i>	Melvin Lodge <i>St. Gabriel, La.</i>
David J. Daigle <i>Grosse Tete, La.</i>	Paul B. Distefano <i>Plaquemine, La.</i>	Dorothy R. Sansoni <i>Plaquemine, La.</i>	Nancy T. Broussard <i>St. Gabriel, La.</i>	Albertha D. Hasten <i>White Castle, La.</i>
Glyna M. Kelly <i>Plaquemine, La.</i>	Michael C. Barbee <i>Plaquemine, La.</i>	Yolanda B. Laws <i>Plaquemine, La.</i>	Freddie Molden, III <i>Bayou Goula, La.</i>	Darlene M. Ourso <i>White Castle, La.</i>

Purchase Orders

During the course of your audit, it was noted that the Iberville Parish School Board did not provide authorized purchase orders for purchases made by the School Board. We concur with the findings and all future purchases will be made with authorized purchase orders.

Please contact me if you have any additional questions.

Sincerely,

Jolain A. Babin

Jolain A. Babin
Iberville Parish School Board
Chief Financial Officer



Postlethwaite & Netterville

A Professional Accounting Corporation
Associated Offices in Principal Cities of the United States
www.pncpa.com

To the Members of the
Iberville Parish School Board
Plaquemine, LA.

We have audited the general-purpose financial statements of the Iberville Parish School Board for the year ended June 30, 2006, and have issued our report thereon dated October 10, 2007. Professional standards suggest that we provide you with the following information related to our audit.

As stated in our engagement letter dated June 18, 2007, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement and are fairly presented in accordance with generally accepted accounting principles. Because of the concept of reasonable assurance and because we did not perform a detailed examination of all transactions, there is a risk that material errors, irregularities, or illegal acts, including fraud and defalcations, may exist and not be detected by us.

As part of our audit, we considered the internal control structure of the Iberville Parish School Board. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control structure. During the course of the performance of our audit procedures and documentation of the School Board's internal controls, we noted certain immaterial items that have been communicated to management by way of discussion. The following is a description of items that were of such significance to comment in a formal management letter.

Review of Journal Entries

Finding: No one is currently reviewing journal entries on a monthly basis.

Recommendation: This weakness in controls needs to be strengthened by a monthly review of journal entries by the Chief Financial Officer to ensure journal entries are appropriate and made correctly, and also to ensure only authorized employees are making these journal entries. Review should be documented by a signature and date on the report by the reviewer.

This information is intended solely for the use of the Board Members and management of the Iberville Parish School Board and should not be used for any other purpose.

Postlethwaite & Nettles

Donaldsonville, Louisiana

October 10, 2006

